



CONTRACT AMENDMENT

Materials Management Procurement

9875 N. 85th Ave., 2nd Fl.
Peoria, AZ 85345
Telephone: (623) 773-7115
Fax: (623) 773-7118

Solicitation No. P13-0050 Page 1 of 1
Description: Economic Development Analysis Consultant Services
Amendment No. Five (5) Date: 2/10/16

Buyer: Lisa Houg

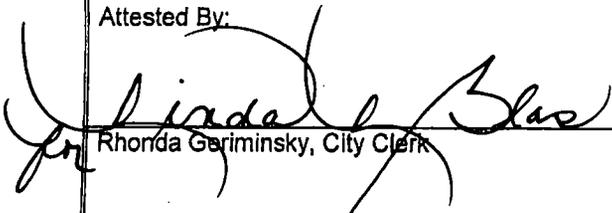
In accordance with the Contract Special Terms and Conditions, **Contract Extension**, the above referenced contract shall expire on 4/30/16. **The New Contract Term: 5/1/16 to 4/30/17.**

CONTRACT EXTENSION THREE (3)

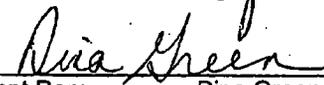
Contractor hereby acknowledges receipt and agreement. A signed copy shall be filed with the City of Peoria, Materials Management Division.

	3/26/16	Steve Klett, Executive Director	Ernst & Young
Signature	Date	Typed Name and Title	Company Name
2 North Central Ave., Ste. 2300	Phoenix	AZ	85004
Address	City	State	Zip Code

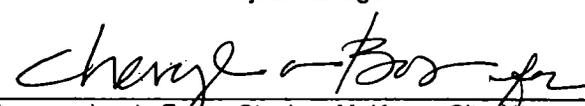
Attested By:


for Rhonda Gariminsky, City Clerk

Director: Scott Whyte, Economic Development Director

Dept Rep: 
Dina Green, Economic Development Project Manager

CC Number
ACON13513E
Contract Number

Approved as to Form: 
Stephen M. Kemp, City Attorney

The above referenced Contract Amendment is hereby Executed
Sept 27, 2016 at Peoria, Arizona


Lisa Houg, Materials Manager



City Seal
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CONTRACT AMENDMENT

Materials Management Procurement

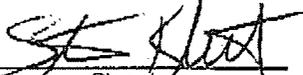
9875 N. 85th Ave., 2nd Fl.
Peoria, AZ 85345
Telephone: (623) 773-7115
Fax: (623) 773-7118

Buyer: Lisa Houg

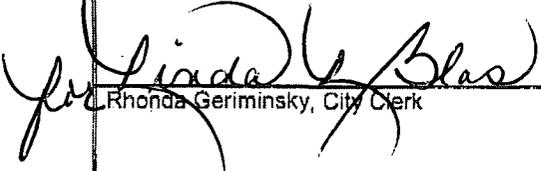
Solicitation No. P13-0050 Page 1 of 5
Description: Economic Development Analysis Consultant Services
Amendment No. Four (4) Date: September 10, 2015

The contract is being amended to revise the Statement of Work dated October 1, 2014 for advisory services in connection with the financial investigation and due diligence related to the partnership with Peoria Sports Park, LLC (PSP) for the Peoria Eighty Three (P83) project. The Statement of Work is for Phase 1, for an amount not to exceed \$45,000, plus expenses.

Contractor hereby acknowledges receipt and agreement. A signed copy shall be filed with the City of Peoria, Materials Management Division.

	9/14/15	Steven A. Klett, Executive Director, Transaction Real Estate	Ernst & Young LLP
Signature	Date	Typed Name and Title	Company Name
2 North Central Ave., Suite 2300		Phoenix	AZ 85004
Address		City	State Zip Code

Attested By:

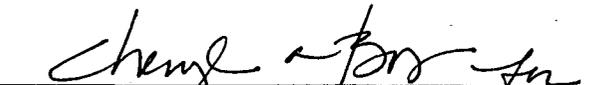

Rhonda Geriminsky, City Clerk

Director: Scott Whyte, Economic Development Director


Dept Rep: Dina Green, Economic Development Project Manager



CC Number
ACON13513D
Contract Number


Approved as to Form: Stephen M. Kemp, City Attorney

The above referenced Contract Amendment is hereby Executed
Sept. 23, 2015 at Peoria, Arizona


Dan Zenko, Materials Manager

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Ernst & Young LLP
1101 New York Avenue, NW
Washington, DC 20005

Tel: +1 202 327 6000
Fax: +1 202 327 6200
www.ey.com

Amendment to Statement of Work

This amendment, dated August 31, 2015 (this "Amendment") amends the Statement of Work, dated, October 1, 2014 (the "Original SOW" and as modified by this Amendment, the "SOW"), between Ernst & Young LLP ("we" or "EY") and the City of Peoria, AZ Economic Development Services ("you" or "Client") related to the provision of advisory services in connection with the financial investigation and due diligence related to the Client's partnership with Peoria Sports Park LLC for the Peoria Eighty Three project (the "Matter"). Capitalized terms used, but not otherwise defined, in this Amendment shall have the respective meanings ascribed to them in the Original SOW and identical terms defined in this Amendment and in the Original SOW shall have the respective meanings ascribed to them herein. The Original SOW was executed pursuant to the agreement, dated April 17, 2013 between EY and the City of Peoria, AZ Economic Development Services (the "Agreement").

Except as modified by this Amendment, all terms and conditions of the Original SOW shall continue in full force and effect and be unaffected by this Amendment.

Scope of Services

The services described in the Original SOW are hereby modified and supplemented as follows (as so modified, the "Services"):

We will provide advisory services in connection with the financial investigation and due diligence related to the Client's partnership with Peoria Sports Park LLC ("PSP") for the Peoria Eighty Three ("P83") project (the "Matter"). Under your direction, we will review the facts of the Matter, and consult with you where you require our assistance.

Our services include performing a risk assessment related to the proposed co-development partner at the Avenue Shoppes at P83 Project. Our risk assessment will assist the Client in identifying and prioritizing certain risks that may be associated with the Client's partnership with Peoria Sports Park LLC. The criteria used in our risk assessment procedures will be co-developed with you and we will report on the findings and recommendations that are based on these criteria.

We anticipate that procedures for Phase 1 outlined below, including the reporting, will be performed over a three week period.

Phase 1

In response to your specific questions related to the matter and included below, we may perform one or more of the following procedures as we consider necessary to develop our findings and recommendations on the matter:

- 1. What is the financial background, experience, and capacity of the proposed co-development partner at the Avenue Shoppes at P83 Project?**
 - ▶ As allowed by data provided to us or publicly available, identify relevant professional history, previous business affiliations and other financial interests for the proposed co-development partner and its affiliates.

- ▶ Analyze business journals, company websites, industry publications, mainstream and local media, and corporate databases to compile an entity business profile that includes background, operations, activities, ownership, financial results and key executives of the proposed co-development partner and its direct affiliates.
 - ▶ Obtain a credit report for the proposed co-development partner (with consent of the proposed co-development partner).
 - ▶ A representative example of the types of research sources that may be considered during our procedures includes: Clear, Courtlink, LexisNexis, Pacer, World Check, Factiva, and Dun & Bradstreet. This is not an all-inclusive list and is subject to change.
 - ▶ For the avoidance of doubt, we will NOT be providing any opinion or conclusion on the solvency of the proposed co-development partner and its direct affiliates, nor on its suitability to complete the project. We will only be accumulating information agreed-upon with you that you deem relevant to your assessment of these issues as further described below.
2. **What financial risks, if any, are involved with doing business with the individual and/or the individual's known associates?**
- ▶ The nature and depth of available information is undetermined at this time. However, we understand that the information we may be provided could include financial statement information, , contract documents, and public source information regarding credit and judgments. Analysis will include recent lawsuits, publically recorded liens, and judgments, to the extent we can identify them.
 - ▶ The quality of any information received will only be as good as the ability of those that assembled it for the sources we will consult. Because the sources are at present unknown, we anticipate working with you to agree upon a defined set of objective data relevant to your assessment and criteria you will utilize to evaluate the financial wherewithal of the proposed co-development partner and its direct affiliates. We will provide you with observations and considerations relative to the quality of data we are able to identify and analyze.
 - ▶ Procedures to be performed may include comparison of whether the book value of assets exceeds liabilities, analysis of any information available to assess whether the proposed co-development partner and its direct affiliates are paying their obligations as they come due, assessment of any information available related to the proposed co-development partner's and its direct affiliates' significant cash needs (including any available cash flow projections prepared by the proposed co-development partner), and considerations related to the financial resources and evaluation of those resources by independent credit agencies.
 - ▶ Other procedures will be performed only after consultation with you and agreement on the appropriateness and sufficiency of such procedures for your purposes.
3. **What other risks – not necessarily financial in nature - should the City of Peoria know about the individual that may otherwise jeopardize the reputation of the project or the community?**
- ▶ Research online public records databases, such as local court filings and corporate registries.
 - ▶ Screen proposed co-development partner and its direct affiliates against compliance databases to identify matches with global government and non-government organization watch lists, sanction

and embargo databases and debarred parties listings, global law enforcement targets, politically-exposed person (PEP) and state-owned entity (SOE) listings.

- ▶ Perform adverse media search in English to identify negative media accounts relative to co-development partner and its direct affiliates.
- ▶ Identify potential contractual and other connections between co-development partner and its direct affiliates and government agencies, lobbyist groups and political parties.

4. Does the proposed co-development partner have the capacity, resources, experience, ability to attract the tenants from the Tenant Mix Matrix, and have the financial capacity to deliver the Avenue Shoppes at P83 Project?

- ▶ EY will review all materials presented by the co-development partner related to their development capacity, resources and experience.
- ▶ Review publically available information and websites (such as the Arizona Republic, Business Real Estate Weekly and Phoenix Business Journal- if located in Arizona or comparable publications if outside Arizona) for the past 5-10 years (as available).
- ▶ Read and comment on co-development partner's personal net worth calculation and any potential issues or concerns.
- ▶ Prepare a list of questions for the co-development partner related to these matters.

At the conclusion of Phase 1 we will summarize and discuss with you our observations and findings as well as our recommendations regarding possible areas of focus for Phase 2.

Phase 2 (to be performed at the request of the Client)

Following consideration of information from Phase 1, the nature and extent of Phase 2 will be agreed upon between EY and the Client. Procedures for Phase 2 could include, but are not limited to, the following:

- ▶ Perform additional background due diligence on additional affiliates of the co-developer and individuals of interest (where identified in Phase 1).
- ▶ Perform additional background due diligence on additional entities and individuals including, but not limited to, the following:
 - a. Chandler Hotels Incorporated
 - b. Jared Chandler, CEO Chandler Hotels Incorporated
 - c. W. E. O'Neil Construction Company
 - d. Peoria Sports Park, LLC
 - e. Michael N. Oliver
- ▶ Research potentially vulnerable corporate relationships of co-development partner and its affiliates (where identified in Phase 1).
- ▶ Assess the risk associated with debt and equity commitments including the construction loan and comment on the sources of these investments.
- ▶ Contact references and interview them regarding the co-development partner with a pre-determined list of questions agreed with you
- ▶ Read and provide comments on the market support for certain assumptions used in the Developer's cash flow projections

At the conclusion of any work requested under Phase 2 scope of services, we will update our written report previously provided to reflect any additional observations, issues, and recommendations.

Proposed Schedule

Subject to the terms and conditions of the Agreement and the Original SOW, and notwithstanding anything in the Original SOW to the contrary, we expect to perform the Services during the period from August 2015 – October 2015. Changes to this schedule may be made upon our mutual agreement.

Contacts

You have identified Dina Green as your contact with whom we should communicate about these Services. Your contacts at EY for these Services will be Barb Lambert and Steven Klett.

Professional Fees

The terms and conditions of the Agreement address our fees and expenses generally. In lieu of the fees and expenses described in the Original SOW, you shall pay our fees for Phase 1 based on actual time incurred at the rates presented in the Original SOW at a fee not-to-exceed \$45,000, plus expenses. A fees estimate for Phase 2 will be discussed with you during discussions of scope for Phase 2.

Except as expressly amended in this letter, all provisions, terms and conditions of the SOW shall be unaltered by this letter and shall continue in full force and effect.

Very truly yours,

Ernst + Young LLP



CONTRACT AMENDMENT

Materials Management

Procurement

9875 N. 85th Ave., 2nd Fl.

Peoria, AZ 85345

Telephone: (623) 773-7115

Fax: (623) 773-7118

Buyer: Jennifer Miller

Solicitation No. P13-0050 Page 1 of 1
 Description: Economic Development Analysis Consultant Services
 Amendment No. Three Date: 2/5/15

In accordance with the Contract Special Terms and Conditions, **Contract Extension**, the above referenced contract shall expire on 4/30/15.

CONTRACT EXTENSION TWO (2)

The New Contract Term: 5/1/15 to 4/30/16

Contractor hereby acknowledges receipt and agreement. A signed copy shall be filed with the City of Peoria, Materials Management Division.

 2/15/15
 Signature Date

Steve Klett, Executive Director
Typed Name and Title

Ernst & Young
Company Name

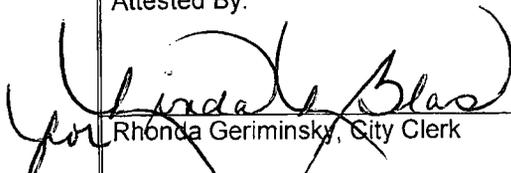
2 North Central Ave., Ste. 2300
Address

Phoenix
City

AZ
State

85004
Zip Code

Attested By:


 for Rhonda Geriminsky, City Clerk


 Director: Scott Whyte, Economic Development Director



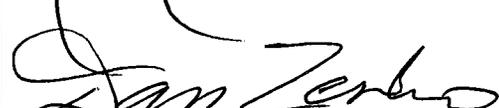
CC Number

ACON13513C
Contract Number


 Approved as to Form: Stephen M. Kemp, City Attorney

The above referenced Contract Amendment is hereby Executed

March 18, 2015, at Peoria, Arizona


 Dan Zenko, Materials Manager

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CONTRACT AMENDMENT

Materials Management Procurement

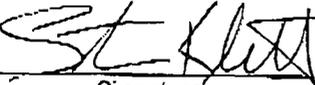
9875 N. 85th Ave., 2nd Fl.
Peoria, AZ 85345
Telephone: (623) 773-7115
Fax: (623) 773-7118

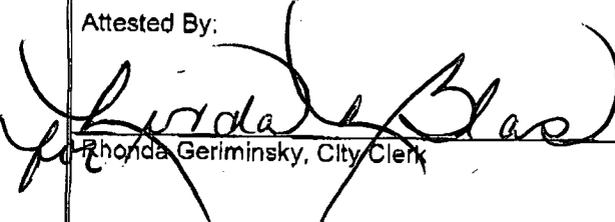
Buyer: Lisa Houg

Contract No. P13-0050 Page 1 of 9
Description: Economic Development Analysis Consultant Services
Amendment No. Two (2) Date: October 8, 2014

The contract is being amended to add the Statement of Work for advisory services in connection with the financial investigation and due diligence related to the partnership with Peoria Sports Park, LLC (PSP) for the Peoria Eighty Three (P83) project in an amount not to exceed \$58,000.

Contractor hereby acknowledges receipt and agreement. A signed copy shall be filed with the City of Peoria, Materials Management Division.

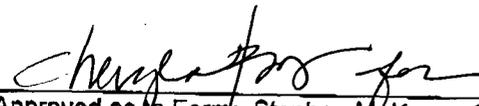
	10/13/14	Steven A. Klett, Executive Director, Transaction Real Estate	Ernst & Young LLP
Signature	Date	Typed Name and Title	Company Name
2 North Central Ave., Suite 2300	Phoenix	AZ	85004
Address	City	State	Zip Code

Attested By:

Rhonda Geriminsky, City Clerk

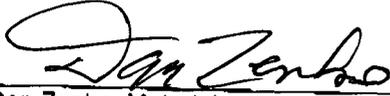
	10/15/14	Director: Scott Whyte, Economic Development Director
	10/15/14	Dept Rep: Jeanine Jerkovic, Manager, Economic Development



CC Number
ACON13513B
Contract Number


Approved as to Form: Stephen M. Kemp, City Attorney

The above referenced Contract Amendment is hereby Executed
Oct 23, 2014, at Peoria, Arizona


Dan Zenko, Materials Manager

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Building a better
working world

Ernst & Young LLP
1101 New York Avenue, NW
Washington, DC 20005

Tel: +1 202 327 6000
Fax: +1 202 327 6200
www.ey.com

Statement of Work

This Statement of Work, dated October 1, 2014 (this "SOW"), is made by Ernst & Young LLP ("we" or "EY") and the City of Peoria, AZ Economic Development Services, ("you" or the "Client"), pursuant to the Agreement, dated April 17, 2013 (the "Agreement"), between EY and the City of Peoria, AZ Economic Development Services.

Except as otherwise set forth in this SOW, this SOW incorporates by reference, and is deemed to be a part of, the Agreement. The additional terms and conditions of this SOW shall apply only to the advisory Services covered by this SOW and not to Services covered by any other Statement of Work pursuant to the Agreement. Capitalized terms used, but not otherwise defined, in this SOW shall have the meanings in the Agreement, and references in the Agreement to "you" or "Client" shall be deemed references to you.

If you ask us to begin work before you execute and return this SOW to us, you will be deemed to have agreed to its terms.

Scope of Services

We will provide advisory services in connection with the financial investigation and due diligence related to the Client's partnership with Peoria Sports Park LLC ("PSP") for the Peoria Eighty Three ("P83") project (the "Matter"). Under your direction, we will review the facts of the Matter, and consult with you where you require our assistance.

Our services include performing a risk assessment related to the proposed co-development partner at the Avenue Shoppes at P83 Project. Our risk assessment will assist the Client in identifying and prioritizing certain risks that may be associated with the Client's partnership with Peoria Sports Park LLC. The criteria used in our risk assessment procedures will be co-developed with you and will we report on the findings and recommendations that are based on these criteria.

In response to your specific questions related to the matter and included below, we may perform one or more of the following procedures as we consider necessary to express a professional conclusion on the matter:

1. What is the financial background, experience, and capacity of the proposed co-development partner at the Avenue Shoppes at P83 Project?

- ▶ Identify professional history, previous business affiliations and other financial interests for the proposed co-development partner.
- ▶ Analyze business journals, company websites, industry publications, mainstream and local media, and corporate databases to compile an entity business profile that includes background, operations, activities, ownership, financial results and key executives.
- ▶ Obtain a credit report for the proposed co-development partner (with consent of the proposed co-development partner).
- ▶ A representative example of the types of research sources that may be considered during our procedures, includes: Clear, Courtlink, LexisNexis, Pacer, World Check, Factiva, and Dun & Bradstreet. This is not an all-inclusive list and is subject to change.

- ▶ For the avoidance of doubt, we will NOT be providing any opinion or conclusion on the solvency of the proposed co-development partner, nor on its suitability to complete the project. We will only be accumulating information agreed-upon with you that you deem relevant to your assessment of these issues as further described below.

2. What financial risks, if any, are involved with doing business with the individual and/or the individual's known associates?

- ▶ The nature and depth of available information is undetermined at this time. However, we understand that the information we may be provided could include financial statement information, project budgets, cash flow information, contract documents, and public source information regarding credit and judgments. Analysis will include recent lawsuits, publically recorded liens and judgments, to the extent identified.
- ▶ The quality of any information received will only be as good as the ability of those that assembled it for the sources. Because the sources are at present unknown, we anticipate working with you to agree upon a defined set of objective data relevant to your assessment and criteria you will utilize to evaluate the financial wherewithal of the proposed co-development partner. We will provide you with observations and considerations relative to the quality of data we are able to identify and analyze.
- ▶ Procedures to be performed may include comparison of whether assets exceed liabilities, analysis of any information available to assess whether the proposed co-development partner is paying its obligations as they come due, assessment of any information available related to the proposed co-development partner's significant cash needs (including any available cash flow projections prepared by the proposed co-development partner), and considerations related to the financial resources and evaluation of those resources by independent credit agencies.
- ▶ Other procedures will be performed only after consultation with you and agreement on the appropriateness and sufficiency of such procedures for your purposes.

3. What other risks – not necessarily financial in nature - should the City of Peoria know about the individual that may otherwise jeopardize the reputation of the project or the community?

- ▶ Research online public records databases, such as local court filings and corporate registries.
- ▶ Screen proposed co-development partner against compliance databases to identify matches with global government and non-government organization watch lists, sanction and embargo databases and debarred parties listings, global law enforcement targets, politically-exposed person (PEP) and state-owned entity (SOE) listings.
- ▶ Perform adverse media search in English to identify negative media accounts relative to entities/individuals.
- ▶ Identify potential contractual and other connections to government agencies, lobbyist groups and political parties.
- ▶ Research potentially vulnerable corporate relationships.

4. Does the proposed co-development partner have the capacity, resources, experience, ability to attract the tenants from the Tenant Mix Matrix, and have the financial capacity to deliver the Avenue Shoppes at P83 Project?

- ▶ EY will review all materials presented by the Partner related to their development capacity, resources and experience
- ▶ Contact references and interview them regarding the Partner with a pre-determined list of questions
- ▶ Review publically available information and websites (such as the Arizona Republic, Business Real Estate Weekly and Phoenix Business Journal- if located in Arizona or comparable publications if outside Arizona) for the past 5-10 years (as available)
- ▶ Read and comment on Partner's personal net worth calculation and any potential issues or concerns
- ▶ Estimate the viability of the debt and equity commitments including the construction loan and comment on the sources of these investments
- ▶ Prepare a list of questions for the Partner related to these matters

Deliverables

We will present our findings in a findings and recommendations draft report format. The draft report will be delivered to you for comments and we will prepare a final report currently anticipated to be delivered by January 13, 2015, one week prior to the Peoria City Council meeting.

EY will also provide the City with updates of our work procedures completed every two weeks until the draft report is delivered via an executive level memorandum. Preliminary findings will not be discussed in the memorandum. If we have a major finding, we will schedule a call to discuss the issue.

Proposed Schedule

Based on our current understanding of the situation, EY will be working under the following timelines and will use commercially reasonable efforts to meet these project milestones. Unless otherwise agreed, and subject to the General Terms and Conditions of the Agreement, we expect to perform the Services during the period from October 2014 to January 2015.

The timelines assume the information necessary to complete the analysis is provided to EY by the Target in a timely manner. We will keep you apprised of any delays in receiving requested information, responses to questions or approvals from the Target to complete certain of our procedures.

Date	Task
October 1, 2014	Anticipated project start date
November 21, 2014	Delivery of draft findings
December 15, 2014	Meeting with the City Manager and City Attorney to discuss findings
January 13, 2015	Deliver of Final Report
January 20, 2015	Presentation to Peoria City Council Study Session

Limitations on scope

We will not provide litigation services, opinions (including solvency opinions), or expert witness services in connection with this matter. We will also not provide any accounting or GAAP conclusions. If this matter becomes the subject of litigation against the Company or a regulatory investigation or proceeding, we will terminate our services immediately, and will not be able to proceed or complete any open items.

The Services are advisory in nature. EY will not render an assurance report or opinion under the Agreement, nor will the Services constitute an audit, review, examination, or other form of attestation as those terms are defined by applicable professional standards. None of the Services or any Reports will constitute any legal opinion or advice. None of the Services or any Reports will constitute any tax opinion or advice. Our investigation may not detect any or all fraudulent activities or illegal acts.

EY may search public sources of information (for example business journals, industry publications, mainstream and local media, databases with corporate information, subscription databases, sanction, embargo and watch lists). If the public information obtained is considered relevant to perform our services, it will be provided to you or referenced in our Report(s). We will have no responsibility to evaluate or verify information collected from public sources.

We will not identify, address or correct any errors or defects in any computer systems, other devices or components thereof ("Systems"), whether or not due to imprecise or ambiguous entry, storage, interpretation or processing or reporting of data. We will not be responsible for any defect or problem arising out of or related to data processing in any Systems.

Your specific obligations

You shall notify us promptly in writing upon becoming aware of (A) changes in the status of the Matter in connection with which the Services are provided, or (B) objections or issues with respect to the performance of the Services.

You will not, and you will not permit others to, quote or refer to the Reports, any portion, summary or abstract thereof, or to EY or any other EY Firm, in any document filed or distributed in connection with (i) a purchase or sale of securities to which the United States or state securities laws ("Securities Laws") are applicable, or (ii) periodic reporting obligations under Securities Laws. You will not contend that any provisions of Securities Laws could invalidate any provision of this Agreement.

Where our written consent under the Agreement is required for you to disclose to a third party any of our Reports, we will also require that third party to execute a letter substantially in the form of Appendix A to this SOW. Without our prior written consent, you may not use or publish any of our Reports for any purpose.

We also draw your attention to the reservations set out in paragraph 5 of the General Terms and Conditions of the Agreement, as well as your management responsibilities under paragraph 6 thereof and your representation, as of the date hereof, under paragraph 26 thereof.

Specific additional terms and conditions

We may utilize certain third-party software and hardware (the "engagement tools") to perform the Services. The engagement tools are provided "as is," and none of EY or any other party involved in the creation, production or delivery of any engagement tool makes any warranties, express or implied, with respect to any thereof, including, without limitation, any implied warranty of merchantability or fitness

for any particular purpose or use, or any warranty that the operation of any engagement tool will be uninterrupted, error free or that it will be compatible with any of your hardware or software.

We cannot and do not provide any assurance that our work and findings will either support or contradict any particular position. You (and your client) agree that, because the Services are limited in nature and scope, they cannot be relied upon to discover all documents and other information, or provide all analyses, that may be important to you or any matter.

Notwithstanding anything to the contrary in the Agreement or this SOW, we do not assume any responsibility for any third-party products, programs or services, their performance or compliance with your specifications or otherwise.

We have reviewed our available records to determine whether potential conflicts might arise out of our performance of the Services. However, the very nature, diversity, magnitude, and size of the Ernst & Young organization and its past and present professional relationships does not allow us to be certain that each and every possible relationship or potential conflict has come to our attention. If relevant relationships or potential conflicts come to our attention, we will promptly notify you. You agree that any EY Firm may provide the Services under this SOW, as well as services to other such parties, as long as (a) no member of the EY team performing these Services (the "EY Team") is part of any team serving other clients in connection with the Matter, and (b) the EY Team does not disclose to any other such team any confidential information relating to you (except as required by applicable law, regulation or professional obligation), in either case without your prior written consent.

If the performance of the Services is challenged on the basis of an alleged conflict of interest or alleged violation of independence requirements, including the requirements of the Sarbanes-Oxley Act of 2002 and the regulations promulgated thereunder you will promptly notify us, and we may engage our own legal counsel to contest any such challenge.

Contacts

You have identified Dina Green as your contact with whom we should communicate about these Services. Your contacts at EY for these Services will be Daniel Lentz and Steven Klett.

Professional Fees

The General Terms and Conditions of the Agreement address our fees and expenses generally. The obligation to pay our fees is not contingent upon the nature of our findings or the outcome of the Matter.

You shall pay our fees for the Services (and you shall use your best efforts to assist in our timely collection of all amounts due) based on actual time incurred at the following hourly rates at a fee not-to-exceed \$58,000, plus expenses:

<u>Rank</u>	<u>Hourly rate</u>
Partner/Principal/Executive Director	\$495
Senior Manager	\$450
Manager	\$395
Senior	\$275
Staff/Associate	\$195

We will bill you for our fees and expenses incurred (and applicable taxes, if any) twice per month, in summary fashion, including information as to total hours and applicable rates. Payment is due upon receipt of our invoice, and we may charge a late payment fee of 1½% per month on any unpaid balance due us. All amounts due must be paid to us in full before we will issue any Report or provide testimony, or upon settlement or other resolution of the Matter.

In witness whereof, the parties have executed this SOW as of the date set forth above.

Ernst + Young LLP

Ernst & Young LLP

City of Peoria, AZ Economic Development Services

By: *Dan Zenko*

Dan Zenko

Materials Manager

**Appendix A
Form of Access Letter**

[Letterhead of EY]

[Date]

[Addressee (e.g., third party
seeking access to EY Report)]

Dear [Addressee]:

City of Peoria (the "Client") has informed Ernst & Young LLP ("EY") that it wishes to disclose to [party seeking access] (the "Recipient") EY's [describe report(s)], dated _____, relating to [describe subject] (the "Report(s)"). EY has not placed any limitations on the Client's ability to disclose any contents of the Report relating to the tax aspects or structure of any transaction proposed by the Client.

EY performed advisory services only for the Client. EY did not undertake the services on behalf of, or to serve the needs of, the Recipient or any other third party. EY did not audit the Client's financial statements, nor did it perform any procedures with respect to its financial information, or otherwise for or relating to any period subsequent to the date(s) of the Report(s).

EY prepared the Report(s) solely for the Client. The Report(s) address[es] only the issues identified by the Client, and [is/are] based solely on information obtained by EY using the procedures specified by the Client or otherwise provided by or on behalf of the Client. The Report(s) [is/are] subject to many limitations and [do/does] not provide any form of assurance with respect to any of the information referred to therein. The Recipient understands and accepts the scope and limitations of the Report(s).

Except (1) where compelled by legal process (of which the Recipient will immediately notify EY and tender to EY, if it so elects, the defense thereof), (2) with respect to any contents of the Report relating to the tax treatment and tax structure of the proposed transaction (including any facts that may be relevant to understanding the proposed tax treatment of the proposed transaction), or (3) with EY's prior written consent, the Recipient will not, circulate, quote, disclose or distribute any of the Report(s) or any information contained therein, or any summary or abstract thereof, or make any reference thereto or to EY, to anyone other than the Recipient's directors, officers or employees or legal advisors who, in each case, need to know its contents in order to _____, and who have agreed to be bound by the terms and conditions of this agreement to the same extent as the Recipient.

The Recipient further agrees that it will not, and will not permit others to, quote or refer to the Report, any portion, summary or abstract thereof, or to EY, in any document filed or distributed in connection with (a) a purchase or sale of securities to which the United States or state securities laws ("Securities Laws") are applicable or (b) periodic reporting obligations under Securities Laws. The Recipient will not contend that any provisions of Securities Laws could invalidate any provision of this agreement.

In further consideration of EY allowing the Recipient access to the Report(s) and the information contained therein, the Recipient agrees that:

1. It does not acquire any rights against EY, and EY does not assume any duties or obligations to the Recipient or otherwise, as a result of such access.
2. It will not rely on the Report(s) or any portion thereof and will make no claim that it has done so.
3. It will make no claim against EY, its partners, employees or affiliates, or other members of the global Ernst & Young network (collectively, the "EY Parties" that relates in any way to the Report(s), any information contained therein, or the Recipient's access to the Report(s).
4. To the fullest extent permitted by applicable law, it will indemnify, defend and hold harmless the EY Parties from and against any claim or expense, including reasonable attorneys' fees, suffered or incurred by any EY Party relating to any breach by the Recipient of any of its representations or agreements contained herein or the use or disclosure of the Report(s) or any portion thereof by anyone who received it directly or indirectly from or at the request of the Recipient.

Very truly yours,

Ernst & Young LLP

Accepted by:

[Addressee]

By: _____



CONTRACT AMENDMENT

Solicitation No P13-0050 Page 1 of 1
 Description Economic Development Analysis Consultant Services
 Amendment No One (1) Date: 2/11/14

Materials Management Procurement
 9875 N. 85th Ave., 2nd Fl.
 Peoria, AZ 85345
 Telephone: (623) 773-7115
 Fax (623) 773-7118
 Buyer: Jennifer Miller

In accordance with the Contract Special Terms and Conditions, Contract Extension, the above referenced contract shall expire on 4/30/14.

The New Contract Term: 5/1/14 to 4/30/15

Contractor hereby acknowledges receipt and agreement. A signed copy shall be filed with the City of Peoria, Materials Management Division.

	2-28-14	Steve Klett, Executive Director	Ernst & Young
Signature	Date	Typed Name and Title	Company Name
2 North Central Ave., Ste 2300	Phoenix	AZ	85004
Address	City	State	Zip Code

Attested By:

Rhonda Genminsky, City Clerk

Director: Scott Whyte, Economic Development Director

CC Number

ACON13513A
 Contract Number



City Seal
 Copyright 2003 City of Peoria, Arizona

Official File

Approved as to Form: Stephen M Kemp, City Attorney

The above referenced Contract Amendment is hereby Executed
 March 19, 2014, at Peoria, Arizona

Dan Zenko, Materials Manager



**City of Peoria, Arizona
Notice of Request for Proposal
for Professional Services**



Request for Proposal No: **P13-0050** Proposal Due Date: **February 21, 2013**
 Services: **ECONOMIC DEVELOPMENT ANALYSIS
CONSULTANT SERVICES** Proposal Time: **5:00 P.M. AZ Time**
 Purchasing Agent: **Jennifer Miller**
 Location: **City of Peoria, Materials Management** Phone: **(623) 773-7115**
 Mailing Address: **9875 N. 85th Avenue, 2nd Floor, Peoria, AZ 85345**

In accordance with City of Peoria Procurement Code, competitive sealed proposals for the services specified will be received by the City of Peoria Materials Management at the specified location until the date and time cited above. Proposals shall be in the actual possession of the City of Peoria Materials Management on or prior to the exact date and time indicated above. Late proposals will not be considered, except as provided in the City of Peoria Procurement Code. *Proposals shall be submitted in a sealed envelope with the Request for Proposal number and the offeror's name and address clearly indicated on the front of the envelope.* All proposals shall be completed in ink or typewritten. Offerors are strongly encouraged to carefully read the *entire* Request for Proposal Package.

OFFER

To the City of Peoria: The undersigned, on behalf of the entity, firm, company, partnership, or other legal entity listed below, offers on its behalf to the City a proposal that contains all terms, conditions, specifications and amendments in the Notice of Request for Proposal issued by the City. Any exception to the terms contained in the Notice of Request for Proposal must be specifically indicated in writing and are subject to the approval of the City prior to acceptance. The signature below certifies your understanding and compliance with Paragraph 1 of the City of Peoria Standard Terms and Conditions (form COP 202) contained in the Request for Proposal package issued by the City.

For clarification of this offer contact:

Telephone: 602.322.3437 Fax: _____

Name: STEVE KLETT

Email: STEVEN.KLETT@EY.COM

ERNST & YOUNG LLP
Company Name

[Signature]
Authorized Signature for Offer

2 NORTH CENTRAL AVE, SUITE 2800
Address

STEVE KLETT
Printed Name

PHOENIX ARIZONA 85004
City State Zip Code

EXECUTIVE DIRECTOR
Title

ACCEPTANCE OF OFFER AND CONTRACT AWARD (For City of Peoria Use Only)

Your offer is accepted by the City, subject to approval of each written exception that your proposal contained. The contract consists of the following documents: 1.) Request for Proposal issued by the City; 2.) Your offer in Response to the City's Request for Proposal; and 3.) This written acceptance and contract award.

As the awarded professional service provider, you are now legally bound to provide the services listed by the attached award notice, based on the solicitation of proposals, including all terms, conditions, specifications, amendments and your offer as now accepted by the City. The professional service provider shall not commence any billable work or provide any services under this contract until the professional service provider receives an executed Purchase Order or a Notice to Proceed.

Attested by: [Signature]
City Clerk

City of Peoria, Arizona. Effective Date: April 9, 2013

Approved as to form: [Signature]
Stephen M. Kemp, City Attorney

CC: _____

Contract Number: ACON13513

Contract Awarded Date: April 8, 2013
[Signature]
Dan Zenko, Materials Management Supervisor



City Seal
Copyright 2003 City of Peoria, Arizona

General Terms and Conditions

Our relationship with you

1. We will perform the Services in accordance with applicable professional standards, including those established by the American Institute of Certified Public Accountants (“AICPA”).
2. We are a member of the global network of Ernst & Young firms (“EY Firms”), each of which is a separate legal entity.
3. We will provide the Services to you as an independent contractor and not as your employee, agent, partner or joint venturer. Neither you nor we have any right, power or authority to bind the other.
4. We may subcontract portions of the Services to other EY Firms, who may deal with you directly. Nevertheless, we alone will be responsible to you for the Reports (as defined in Section 11), the performance of the Services, and our other obligations under this Agreement. From time to time, non-CPA personnel may perform the Services.
5. We will not assume any of your management responsibilities in connection with the Services. We will not be responsible for the use or implementation of the output of the Services, although we may otherwise provide advice and recommendations to assist you in your management functions and making decisions.

Your responsibilities

6. You shall assign a qualified person to oversee the Services. You are responsible for all management decisions relating to the Services, the use or implementation of the output of the Services and for determining whether the Services are appropriate for your purposes.
7. You shall provide (or cause others to provide) to us, promptly, the information, resources and assistance (including access to records, systems, premises and people) that we reasonably require to perform the Services.
8. To the best of your knowledge, all information provided by you or on your behalf (“Client Information”) will be accurate and complete in all material respects. The provision of Client Information to us will not infringe any copyright or other third-party rights.
9. We will rely on Client Information made available to us and, unless we expressly agree otherwise, will have no responsibility to evaluate or verify it.

10. You shall be responsible for your personnel’s compliance with your obligations under this Agreement.

Our Reports

11. Any information, advice, recommendations or other content of any reports, presentations or other communications we provide under this Agreement (“Reports”), other than Client Information, are for your internal use only (consistent with the purpose of the particular Services).
12. You may not disclose a Report (or any portion or summary of a Report) externally (including to your affiliates) or refer to us or to any other EY Firm in connection with the Services, except:
 - (a) to your lawyers (subject to these disclosure restrictions), who may review it only to give you advice relating to the Services,
 - (b) to the extent, and for the purposes, required by subpoena or similar legal process (of which you will promptly notify us),
 - (c) to other persons (including your affiliates) with our prior written consent, who have executed an access letter substantially in the form we prescribe, or
 - (d) to the extent it contains Tax Advice, as set forth in Section 13.

If you are permitted to disclose a Report (or a portion thereof) externally, you shall not alter, edit or modify it from the form we provided.

13. You may disclose to anyone a Report (or a portion thereof) solely to the extent that it relates to tax matters, including tax advice, tax opinions, tax returns, or the tax treatment or tax structure of any transaction to which the Services relate (“Tax Advice”). With the exception of tax authorities, you shall inform those to whom you disclose Tax Advice that they may not rely on it for any purpose without our prior written consent.
14. You may incorporate into documents that you intend to disclose externally EY summaries, calculations or tables based on Client Information contained in a Report, but not our recommendations, conclusions or findings. However, you must assume sole responsibility for the contents of those documents and not refer to us or any other EY Firm in connection with them. This provision does not affect your ability to circulate Reports internally.

15. You may not rely on any draft Report. We shall not be required to update any final Report for circumstances of which we become aware, or events occurring, after its delivery.

Limitations

16. You (and any others for whom Services are provided) may not recover from us, in contract or tort, under statute or otherwise, any consequential, incidental, indirect, punitive or special damages in connection with claims arising out of this Agreement or otherwise relating to the Services, including any amount for loss of profit, data or goodwill, whether or not the likelihood of such loss or damage was contemplated.
17. You (and any others for whom Services are provided) may not recover from us, in contract or tort, under statute or otherwise, aggregate damages in excess of the fees actually paid for the Services that directly caused the loss in connection with claims arising out of this Agreement or otherwise relating to the Services. This limitation will not apply to losses caused by our fraud or willful misconduct or to the extent prohibited by applicable law or professional regulations.
18. You shall make any claim relating to the Services or otherwise under this Agreement no later than one year after you became aware (or ought reasonably to have become aware) of the facts giving rise to any alleged such claim and in any event, no later than two years after the completion of the particular Services. This limitation will not apply to the extent prohibited by applicable law or professional regulations.
19. You may not make a claim or bring proceedings relating to the Services or otherwise under this Agreement against any other EY Firm or our or its subcontractors, members, shareholders, directors, officers, partners, principals or employees ("EY Persons"). You shall make any claim or bring proceedings only against us. The provisions of Sections 16 through 20 are intended to benefit the other EY Firms and all EY Persons, who shall be entitled to enforce them.

Indemnity

20. To the fullest extent permitted by applicable law and professional regulations, you shall indemnify us, the other EY Firms and the EY Persons against all claims by third parties (including your affiliates and attorneys) and resulting liabilities, losses, damages, costs and expenses (including reasonable external and internal legal costs) arising out of the disclosure of any Report (other than Tax Advice) or a third party's use of or reliance on any Report (including Tax Advice) disclosed to it by you or at your request.

Intellectual property rights

21. We may use data, software, designs, utilities, tools, models, systems and other methodologies and know-how that we own or license ("Materials") in performing the Services. Notwithstanding the delivery of any Reports, we retain all intellectual property rights in the Materials (including any improvements or knowledge developed while performing the Services), and in any working papers compiled in connection with the Services (but not Client Information reflected in them).
22. Upon payment for particular Services and subject to the other terms of this Agreement, you may use the Reports relating to those Services, as well as any Materials owned by us that are included therein, solely to the extent necessary to use the Reports.

Confidentiality

23. Except as otherwise permitted by this Agreement, neither of us may disclose to third parties the contents of this Agreement or any information (other than Tax Advice) provided by or on behalf of the other that ought reasonably to be treated as confidential and/or proprietary. Either of us may, however, disclose such information to the extent that it:
 - (a) is or becomes public other than through a breach of this Agreement,
 - (b) is subsequently received by the recipient from a third party who, to the recipient's knowledge, owes no obligation of confidentiality to the disclosing party with respect to that information,
 - (c) was known to the recipient at the time of disclosure or is thereafter created independently,
 - (d) is disclosed as necessary to enforce the recipient's rights under this Agreement, or
 - (e) must be disclosed under applicable law, legal process or professional regulations.
24. Either of us may use electronic media to correspond or transmit information and such use will not in itself constitute a breach of any confidentiality obligations under this Agreement.
25. Unless prohibited by applicable law, we may provide Client Information to other EY Firms (which are listed at www.ey.com) and EY Persons, as well as external third parties providing services on our or their behalf, who may collect, use, transfer, store or otherwise process (collectively, "Process") it in various jurisdictions in which they operate in order to facilitate performance of the Services, to comply with regulatory requirements, to check conflicts, to provide financial

accounting and other administrative support services or for quality and risk management purposes. We shall be responsible to you for maintaining the confidentiality of Client Information, regardless of where or by whom such information is Processed on our behalf.

26. With respect to any Services, if U.S. Securities and Exchange Commission auditor independence requirements apply to the relationship between you or any of your associated entities and any EY Firm, you represent, to the best of your knowledge, as of the date of this Agreement and as of the date of each Statement of Work hereunder, that neither you nor any of your affiliates has agreed, either orally or in writing, with any other advisor to restrict your ability to disclose to anyone the tax treatment or tax structure of any transaction to which the Services relate. An agreement of this kind could impair an EY Firm's independence as to your audit or that of any of your affiliates, or require specific tax disclosures as to those restrictions. Accordingly, you agree that the impact of any such agreement is your responsibility.

Data protection

27. If we Process Client Information that can be linked to specific individuals ("**Personal Data**"), we will Process it in accordance with Section 25 of this Agreement, as well as applicable law and professional regulations, including, where applicable, the European Union Safe Harbor program of the U.S. Department of Commerce, in which EY participates. We will require any service provider that Processes Personal Data on our behalf to adhere to such requirements. If any Client Information is protected health information under the Health Insurance Portability and Accountability Act, as amended, this Agreement is deemed to incorporate all of the terms otherwise required to be included in a business associate contract relating to such information.
28. You warrant that you have the authority to provide the Personal Data to us in connection with the performance of the Services and that the Personal Data provided to us has been Processed in accordance with applicable law. In order to provide the Services, we may need to access Personal Data consisting of protected health information, financial account numbers, Social Security or other government-issued identification numbers, or other data that, if disclosed without authorization, would trigger notification requirements under applicable law ("**Restricted Personal Data**"). In the event that we need access to such information, you will consult with us on appropriate measures (consistent with professional standards applicable to us) to protect the Restricted Personal Data, such as deleting or masking unnecessary information before it is made available to us, encrypting any data transferred to us, or making the data available for on-site review at a Client site. You will provide us with Restricted Personal Data only in accordance with mutually agreed protective measures.

Fees and expenses generally

29. You shall pay our professional fees and specific expenses in connection with the Services as detailed in the applicable Statement of Work. You shall also reimburse us for other reasonable expenses incurred in performing the Services. Our fees are exclusive of taxes or similar charges, as well as customs, duties or tariffs imposed in respect of the Services, all of which you shall pay (other than taxes imposed on our income generally). Unless otherwise set forth in the applicable Statement of Work, payment is due within 30 days following receipt of each of our invoices. We may receive rebates in connection with certain purchases, which we use to reduce charges that we would otherwise pass on to you.
30. We may charge additional professional fees if events beyond our control (including your acts or omissions) affect our ability to perform the Services as originally planned or if you ask us to perform additional tasks.
31. If we are required by applicable law, legal process or government action to produce information or personnel as witnesses with respect to the Services or this Agreement, you shall reimburse us for any professional time and expenses (including reasonable external and internal legal costs) incurred to respond to the request, unless we are a party to the proceeding or the subject of the investigation.

Force majeure

32. Neither you nor we shall be liable for breach of this Agreement (other than payment obligations) caused by circumstances beyond your or our reasonable control.

Term and termination

33. This Agreement applies to the Services whenever performed (including before the date of this Agreement).
34. This Agreement shall terminate upon the completion of the Services. Either of us may terminate it, or any particular Services, earlier upon 30 days' prior written notice to the other. In addition, we may terminate this Agreement, or any particular Services, immediately upon written notice to you if we reasonably determine that we can no longer provide the Services in accordance with applicable law or professional obligations.
35. You shall pay us for all work-in-progress, Services already performed, and expenses incurred by us up to and including the effective date of the termination of this Agreement. Payment is due within 30 days following receipt of our invoice for these amounts.

36. The provisions of this Agreement, including Section 14 and otherwise with respect to Reports, that give either of us rights or obligations beyond its termination shall continue indefinitely following the termination of this Agreement, except that our respective confidentiality obligations (other than those relating to Reports or under Section 14) shall continue thereafter for three years only.

Governing law and dispute resolution

37. This Agreement, and any non-contractual matters or obligations arising out of this Agreement or the Services, including (without limitation) claims arising in tort, fraud, under statute or otherwise relating to the Services, or questions relating to the scope or enforceability of this Section 37, shall be governed by, and construed in accordance with, the laws of New York applicable to agreements made, and fully to be performed, therein by residents thereof. Except as otherwise expressly provided in the Cover Letter, any dispute relating to this Agreement or the Services shall be resolved as set forth in Appendix I to these Terms and Conditions.

Miscellaneous

38. This Agreement constitutes the entire agreement between us as to the Services and the other matters it covers, and supersedes all prior agreements, understandings and representations with respect thereto, including any confidentiality agreements previously delivered. In addition, any policy, protocol, agreement (other than this Agreement) or other instrument, in whatever form, imposed at any time that purports to obligate EY, any other EY Firm or any EY Person with respect to the use of Client Information shall be void and of no further effect, and you shall not seek to enforce any such obligation.

39. Both of us may execute this Agreement (including Statements of Work), as well as any modifications thereto, by electronic means and each of us may sign a different copy of the same document. Both of us must agree in writing to modify this Agreement or any Statement of Work hereunder.

40. Each of us represents to the other that each person signing this Agreement or any Statement of Work hereunder on its behalf is expressly authorized to execute it and to bind such party to its terms. You also represent that this Agreement has, if necessary, been considered and approved by your Audit Committee. You represent that your affiliates and any others for whom Services are performed shall be bound by the terms of this Agreement.

41. You agree that we and the other EY Firms may, subject to professional obligations, act for other clients, including your competitors.

42. Neither of us may assign any of our rights, obligations or claims under this Agreement.

43. If any provision of this Agreement (in whole or part) is held to be illegal, invalid or otherwise unenforceable, the other provisions shall remain in full force and effect.

44. If there is any inconsistency between provisions in different parts of this Agreement, those parts shall have precedence as follows (unless expressly agreed otherwise): (a) the Cover Letter, (b) the applicable Statement of Work and any attachments thereto, (c) these General Terms and Conditions, and (d) other attachments to this Agreement.

45. Neither of us may use or reference the other's name, logo or trademarks publically without the other's prior written consent, although we may publically identify you as a client in connection with specific Services or generally.

46. For administrative reasons, you may from time to time ask that fees and expenses for Services performed for your international affiliates or at international locations be invoiced to you or your designate there, in local currency. You guarantee the timely payment of all those invoices by your affiliates. In addition, from time to time, an affiliate of ours, providing Services as a subcontractor to us, may bill you directly for fees incurred for work outside the US, in local currency or otherwise.

Appendix 1

Dispute resolution procedures

Mediation

A party shall submit a dispute to mediation by written notice to the other party or parties. The mediator shall be selected by the parties. If the parties cannot agree on a mediator, the International Institute for Conflict Prevention and Resolution (“CPR”) shall designate a mediator at the request of a party. Any mediator must be acceptable to all parties and must confirm in writing that he or she is not, and will not become during the term of the mediation, an employee, partner, executive officer, director, or substantial equity owner of any EY audit client.

The mediator shall conduct the mediation as he/she determines, with the agreement of the parties. The parties shall discuss their differences in good faith and attempt, with the mediator’s assistance, to reach an amicable resolution of the dispute. The mediation shall be treated as a settlement discussion and shall therefore be confidential. The mediator may not testify for either party in any later proceeding relating to the dispute. The mediation proceedings shall not be recorded or transcribed.

Each party shall bear its own costs in the mediation. The parties shall share equally the fees and expenses of the mediator.

If the parties have not resolved a dispute within 90 days after written notice beginning mediation (or a longer period, if the parties agree to extend the mediation), the mediation shall terminate and the dispute shall be settled by arbitration. In addition, if a party initiates litigation, arbitration, or other binding dispute resolution process without initiating mediation, or before the mediation process has terminated, an opposing party may deem the mediation requirement to have been waived and may proceed with arbitration.

Arbitration

The arbitration will be conducted in accordance with the procedures in this document and the CPR Rules for Non-Administered Arbitration (“Rules”) as in effect on the date of the Agreement, or such other rules and procedures as the parties may agree. In the event of a conflict, the provisions of this document will control.

The arbitration will be conducted before a panel of three arbitrators, to be selected in accordance with the screened selection process provided in the Rules. 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 arbitrators. No potential arbitrator may be appointed unless he or she has agreed in writing to these procedures and has confirmed in writing that he or she is not, and will not become during the term of the arbitration, an employee, partner, executive officer, director, or substantial equity owner of any EY audit client.

The arbitration panel shall have no power to award non-monetary or equitable relief of any sort or to make an award or impose a remedy that (i) is inconsistent with the agreement to which these procedures are attached or any other agreement relevant to the dispute, or (ii) could not be made or imposed by a court deciding the matter in the same jurisdiction. In deciding the dispute, the arbitration panel shall apply the limitations period that would be applied by a court deciding the matter in the same jurisdiction, and shall have no power to decide the dispute in any manner not consistent with such limitations period.

Discovery shall be permitted in connection with the arbitration only to the extent, if any, expressly authorized by the arbitration panel upon a showing of substantial need by the party seeking discovery.

All aspects of the arbitration shall be treated as confidential. The parties and the arbitration panel may disclose the existence, content or results of the arbitration only in accordance with the Rules or applicable professional standards. Before making any such disclosure, a party shall give written notice to all other parties and shall afford them a reasonable opportunity to protect their interests, except to the extent such disclosure is necessary to comply with applicable law, regulatory requirements or professional standards.

The result of the arbitration shall be binding on the parties, and judgment on the arbitration award may be entered in any court having jurisdiction.

Peoria Pinnacle Peak Public Safety Facility - Planning and Programming
Peoria, Arizona

• Planning Consultation Fee Proposal •

Task	Principal	Sr. Arch	Jr. Arch	Tech	Remarks:
1/23/2013	\$180	\$160	\$105	\$85	

Task	Principal	Sr. Arch	Jr. Arch	Tech	Remarks:
Project Initiation					
Scoping Session (with core team)	0	0	0	0	
Develop and forward data request and questionnaires	2	2	0	3	receive back prior to staff interviews
Establish project schedule	1	3	0	0	
Review data received and filled out questionnaires	4	2	0	5	
Team coordination	2	2	0	0	email, telcon
advertise for community workshop	0	2	0	0	
Prepare for kickoff meeting and initial onsite interview:	3	5	0	2	initial spreadsheet; agenda; sample space stds,...
Subtotal Hours	12	16	0	10	
Subtotal Fee	\$2,160	\$2,880	\$0	\$850	
Task Total					\$5,890

Task	Principal	Sr. Arch	Jr. Arch	Tech	Remarks:
Needs Assessment					
Kick-off Meeting with police and city representatives	3	3	3	3	
Tour existing site and facility (site and floor plans in hand)	4	4	4	4	Corgan to prep site & facility drawings for tour
First interviews w/police reps (operations; space needs)	10	10	0	8	command staff; precinct cmndr, stn staff
Meet with city depts ie Traffic Engineering, etc	5	5	6	6	
Prepare prelim Space Needs Program square footage	3	6	0	12	
Prepare prelim Space adjacency diagrams (building & site)	4	8	24	24	
Preliminary findings - any conflicts, policy issues identified	3	3	0	8	issue ahead of validation interviews
Identify existing facility constraints & opportunities:	2	3	0	6	
Validation interviews w/police reps	5	5	0	5	prelim findings at wrap-up meeting
Prepare Prelim. Needs Assessment	2	6	0	16	
Present to City for approval to perform site test-fit:	3	3	0	0	review with core team; pickup changes
Subtotal Hours	44	56	37	92	
Subtotal Fee	\$7,920	\$10,080	\$3,885	\$7,820	
Task Total					\$29,705

Task	Principal	Sr. Arch	Jr. Arch	Tech	Remarks:
Site Test Fit Options					
Determine existing site constraints & opportunities	4	3	0	0	
Develop site base plan with constraints and opportunities:	8	8	16	16	
Worksession	6	6	6	6	w/RLB; bulletized pros and cons
preliminary test fit options review meeting	3	3	3	3	
Participate in Community Forum (public input);	3	3	3	0	
Develop summary narrative and test fit options:	4	6	0	24	
make sketch modifications to the 3 options:	4	5	4	32	
Telcon with RLB re: cost information and test-fit:	1	2	0	0	confirm relative costs of options
Finalize test fit package	1	6	0	32	
Present to Core Team (City, PD Users)	2	4	0	0	
Subtotal Hours	36	46	37	113	
Subtotal Fee	\$6,480	\$8,280	\$3,360	\$9,605	
Task Total					\$27,725

Task	Principal	Sr. Arch	Jr. Arch	Tech	Remarks:
Final Documentation and Presentations					
Review RLB information and hold telcon (team);	1	2	0	0	
Develop executive summary info (identify preferred option?;	2	2	0	3	
Powerpoint input and Present to City and Police rep:	3	1	0	6	
Make corrections and issue final draft	1	2	0	1	
Update powerpoint and present to City Council	2	2	0	16	
Make any final corrections and issue final document	3	3	0	7	
Subtotal Hours	12	12	0	33	
Subtotal Fee	\$2,160	\$2,160	\$0	\$2,805	
Task Total					\$7,125

CONSULTANT FEE SUMMARY	
Project Initiation	\$5,890
Needs Assessment	\$29,705
Site Test Fit Options	\$27,725
Final Documentation and Presentations	\$7,125
Civil Engineering - hourly not to exceed (\$130/hour x 20 hours)	\$2,600
TOTAL CONSULTANT FEE	\$73,045

ANTICIPATED REIMBURSABLE EXPENSES	
Gas (mileage)	1 \$1,000 \$1,000
Printing / Delivery	1 \$500 \$500
TOTAL ANTICIPATED REIMBURSABLE EXPENSES	\$1,500

TOTAL FEE AND REIMBURSABLE EXPENSES	\$74,545
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Peoria Pinnacle Peak Public Safety Facility - Planning and Programming
Peoria, Arizona

• Planning Consultation Fee Proposal •

Task	Principal	Sr. Arch	Jr. Arch	Tech	Remarks:
1/23/2013	\$180	\$160	\$105	\$85	

Economic Development Analysis Consultant Services

Investment Structure Consulting for the City of Peoria

We commit to quality service and personal involvement.

Prepared for:
City of Peoria
9875 North 85th Avenue, 2nd Floor
Peoria, AZ 85345

In response to RFP# P13-0050
dated 21 February 2013
Valid for 120 days

Prepared by:
Ernst & Young LLP
2 North Central Avenue, Suite 2300
Phoenix, AZ 85004

Point of Contact:
Steve Klett
Executive Director
+1 602 322 3637
steven.klett@ey.com

This proposal includes data that may not be duplicated, used or disclosed outside the City of Peoria and may not be duplicated—in whole, or in part—for any purpose other than to evaluate this proposal. If, however, a contract is awarded to Ernst & Young LLP as a result of—or in connection with—the submission of such data, the City of Peoria will have the right to duplicate, use or disclose the data to the extent provided in the resulting contract. This restriction does not limit the City of Peoria's right to use information contained in the data if it is obtained from another source without restriction. The data subjected to this restriction are contained on all pages of our proposal.

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Phoenix, AZ 85004
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City of Peoria
Materials Management
Attn: Jennifer Miller
9875 North 85th Avenue, 2nd Floor
Peoria, AZ 85345

February 21, 2013

Response to RFP P13-0050 titled Economic Development Analysis Consultant Services, Investment Structure Consultant

To City of Peoria:

On behalf of Ernst & Young LLP, we thank you for the opportunity to present our proposal to serve the City of Peoria (City). This submittal is a response to your request for proposals to provide Economic Development Analysis Consultant Services related to select development financing opportunities. Ernst & Young is pleased to have the opportunity to provide our qualifications to assist the City of Peoria's Economic Development staff with reviewing and advising the City on a variety of development investment proposals.

Ernst & Young is the only national advisory practice with a Phoenix-based office of real estate advisory professionals. Ernst & Young has over 25 years of local real estate experience.

Ernst & Young is fully committed to assisting the City of Peoria in its review of economic development projects brought to the City. Our ability to allocate appropriate resources in a timely manner allows us to work within the timeline outlined in the proposal. Our team is available to promptly begin the work at the City's request upon execution of a contract to serve.

We intend to staff this engagement with experienced personnel in our Phoenix office. In addition to the real estate and public private experience, Ernst & Young brings the financial discipline of a Big 4 accounting firm.

We appreciate your consideration of our proposal. We look forward to providing services under this contract and continuing our relationship with the City of Peoria.

If you have any questions about the information we presented, please do not hesitate to contact the engagement Executive, Steve Klett, +1 602 322 3637, steven.klett@ey.com.

Sincerely,

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Firm experience

Our qualifications - serving the private and public sectors

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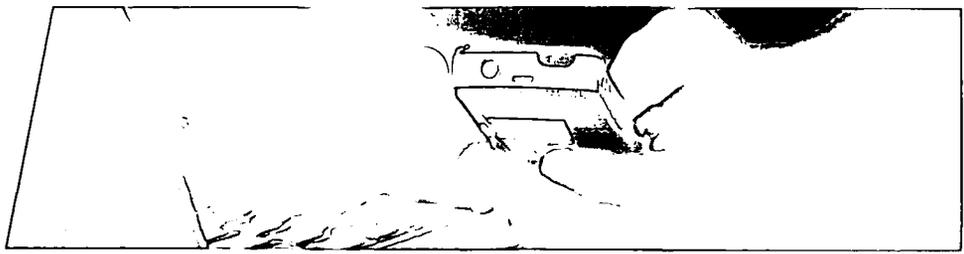
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- ▶ Public-private advisory to city, state, federal, military and other public sector agencies
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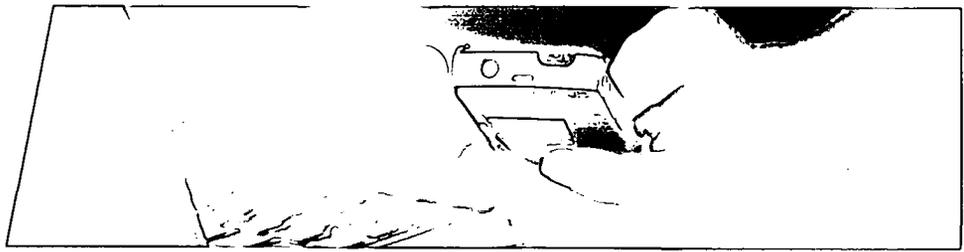
Arizona Public Safety Personnel Retirement System, Phoenix, Arizona

Ernst & Young is the lead real estate consultant for a large public employee pension fund with billions in real estate holdings. Ernst & Young regularly advises the Fund on valuation issues as well as due diligence on opportunities presented to the Fund. Ernst & Young also assisted the Fund in the conversion from 4 separate pension plans to a unitized trust.

Fort McDowell Yavapai Nation

Ernst & Young has conducted a number of analyses for the Fort McDowell Yavapai Nation, including assisting the Nation in developing an overall business plan for economic development purposes, identifying strengths & weaknesses, market impacts, opportunities, and competition in the local market. We also assisted in the development of a business plan for key enterprises of the Nation.

More recently, Ernst & Young prepared an analysis of market assumptions and analyze the terms of a proposed joint venture for the development, financing and operations of a proposed Major League Baseball Spring Training Facility for the Fort McDowell Yavapai Nation. The Nation was considering entering into a joint



venture with the Arizona Diamondbacks and the Colorado Rockies for the development and operation of the proposed Facility. The Facility was planned to consist of a AAA-quality main stadium with seating capacity of up to 13,000 and to include mini-suites, team shops, concessions, and support functions on a 140-acre site.

Centre City Development Corporation, San Diego, California

The Centre City Development Corporation (City) requested Ernst & Young to provide real estate economic and financial services related to an analysis of the redevelopment of the Civic Center Complex including the peer review, financial review (market assumptions and methods used, development costs, transaction structure alternatives) and financial and market feasibility. Ernst & Young also provided fiscal impact, economic development planning services, and participated in community meetings and outreach sessions related to the proposed redevelopment project.

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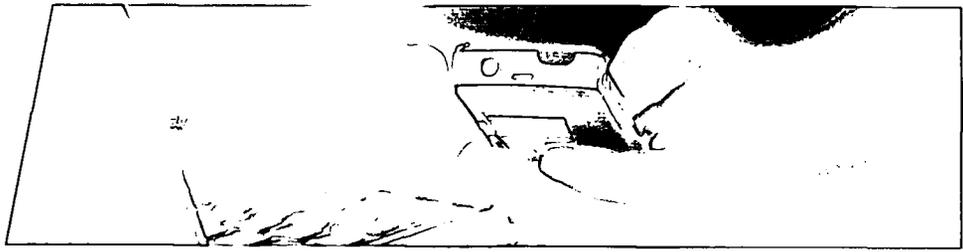
City of Mesa, Arizona

Ernst & Young has served the City of Mesa as a financial advisor on numerous public-private partnerships. Assignments have included fiscal impact studies, construction cost reviews, market analysis, cash flow analysis, and incentive analysis. Assignments include:

- ▶ Assisted the City with an industrial land use study through 2030 to support the retention of industrial land uses around Mesa Gateway Airport
- ▶ Consulted with the City on the DMB/Gaylord convention hotel and resort project on the former GM Proving Grounds site with fiscal impact analyses, project cash flow modeling and feasibility analysis
- ▶ Advised the City on the Riverview project including fiscal impact analysis, project cash flow modeling and market feasibility analysis
- ▶ Advised the City on the NFL Stadium project with market an fiscal impact studies, cash flow modeling and negotiations with the Arizona Cardinals

GSA - Treasure Island, San Francisco, California

Ernst & Young was engaged by the United States General Service Administration on behalf of the U.S. Navy to analyze alternative uses and to value the formal Navy Base, Treasure Island, off the coast of San Francisco, as one of the largest redevelopment efforts in the country. Scenarios were tested for market and financial feasibility and presented to the Navy, GSA, City of San Francisco and Treasure Island Redevelopment Authority to help determine a highest and best use for *this historic asset*. Our role included working closely with GSA and the city of San Francisco personnel to clarify the long term development objectives for Treasure Island, analyzing alternative development scenarios that were consistent with the stated objectives, and assigning a value to the site given its highest and best use, which enabled the development to move forward.



Staff capabilities and assignments

Staffing

Our core team has assisted many public clients with their market, due diligence and feasibility analysis requirements. The Ernst & Young Team assembled has long-term experience in the analysis of redevelopment/re-use and public-private projects. Ernst & Young does not anticipate requiring any outside assistance (subcontractor) to complete the scope of work identified in the RFP.

The names and brief resumes of the team leaders who will serve are provided below:

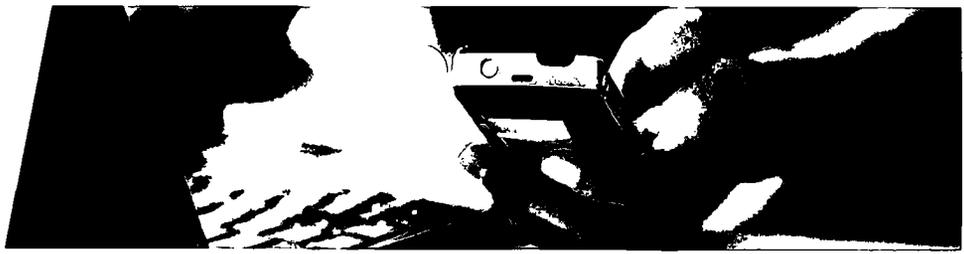
Steven A. Klett, MAI - Executive Director *Project Director*

Position at Ernst & Young: Steve is an Executive Director in Ernst & Young's Transaction Real Estate Group based in Phoenix, Arizona. Steve is head of the real estate valuation practice nationally and the P3 group in the West.

Experience: Steve has more than 25 years experience in real estate advisory and valuation services. Steve specializes in the analysis of public/private partnerships and complex valuation projects and has advised numerous cities, universities and the Federal Government on various real estate transactions including: urban redevelopment projects, mixed-use projects, office and industrial parks, residential communities, tax incentive districts, waterfront projects, student housing, and various special purpose properties. Steve is frequently requested to provide valuation analysis and advice on the most complex real estate projects and issues.

Professional qualifications and organizations: Steve is an MAI and State Certified Real Estate Appraiser in Arizona, California, Nevada, and Colorado. Steve is a member of the ULI AZTAP committee and has served on the National Valuation Committee with NCREIF. Steve is a licensed designated real estate broker in Arizona and a member of NAIOP. He has a Bachelors Degree in Finance from Arizona State University and has completed the course work for a Master's Degree in Real Estate from the University of St. Thomas.

Peoria Engagement Assignment: Steve will be responsible for scope, direction, planning, and completion as well as the commitment of the Firm's resources to the engagement plan. He will monitor the status of the engagement and is also responsible for communication with the client, overall project management and the presentation of final work product.



Tomas Hammarstrom
Technical Advisor

Position at EY: Tomas is a senior manager in Ernst and Young's Transaction Real Estate Practice.

Experience: Tomas has 16 years of experience with the EY Transaction Real Estate group, and has been directly involved in providing real estate advisory services to a diverse client base. Tomas has been involved with strategic planning, market analysis, financial analysis/valuation, fiscal impact analysis, including financing structures for various cities, municipalities, and public-private entities.

Professional qualifications and organizations: Tomas graduated from California State University with a Bachelors of Science in Finance and the University of Stockholm, Sweden with a degree in Business Administration - Economics. Tomas currently holds Certified General Appraiser Licenses in Arizona, and Idaho, and is a Candidate for the CCIM (Certified Commercial Investment Member) designation.

Peoria Engagement Assignment: Tomas' responsibilities will include engagement planning, supervision, review and completion of work. He will monitor the status of the engagement. He will advise and consult with the Executive Director on all significant developments. He will act as primary liaison to the client and will make Executive Director aware of all major developments and review work papers and oversee the drafting of reports.

Valentin Hernandez - Manager
Project Manager

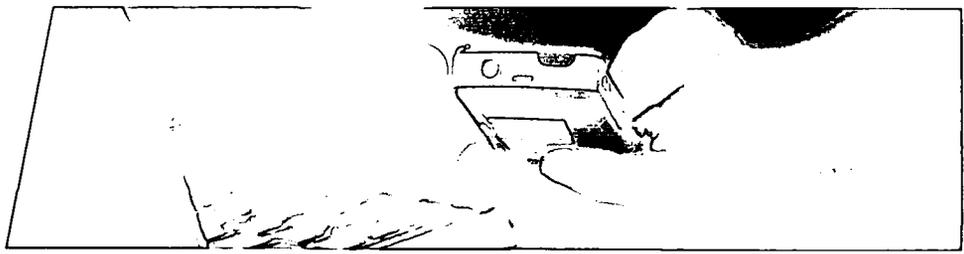
Position at Ernst & Young: Valentin Hernandez is a Manager with Ernst & Young's Transaction Real Estate practice in Phoenix Office.

Experience: Valentin has over 16 years experience in urban planning, redevelopment, and economic development. Prior to joining Ernst & Young, Valentin was employed for eight years with the City of Scottsdale, Arizona, as an Economic Specialist. His projects included major public/private redevelopment projects, outreach and consensus building with stakeholders, as well as land use planning for the City's redevelopment areas. In addition, Valentin has participated in many public forums and provided economic development planning advice to the City's Boards and Commissions as well as on several major projects including the City's Waterfront Redevelopment, ASU Scottsdale Center for New Technology and Innovation, and McDowell Village.

In addition to his public/private redevelopment experience, Valentin has been involved with development feasibility studies, market analysis, real estate financial analysis and various portfolio evaluation engagements.

Professional qualifications and organizations: Valentin has a Bachelor of Science in Design degree in Housing & Urban Development and earned a Master's of Business Administration from Arizona State University.

Peoria Engagement Assignment: Valentin will act as the day-to-day project manager, coordinating the research, data analysis, and creation of the draft and final reports. Responsibilities will include engagement planning, supervision, review and completion of work. He will continually monitors the status of the engagement and will advise and consult on all significant developments.



Project approach

Project understanding

The City of Peoria is engaging in various economic development projects that would require financial analysis so as to determine the accuracy and cost reasonableness of real estate development and business development investment proposals that are submitted to the City.

The City of Peoria is soliciting proposals from consulting firms with experience in real estate development and/or investment financing. Proposing firms shall have the ability to review and advise the city on a variety of financial documents and development proposals. Specifically, firms shall possess the expertise to assist the City in testing the market feasibility, critically analyze the financial strengths and weaknesses, and quantifying economic benefits of development and investment proposals being considered by the City.

We have extensive experience related to real estate transactions as well as their related financing structures. Our experience includes a wide variety of complex public-private projects, understanding all of the nuances associated with public sector clients and financing constraints.

Project approach

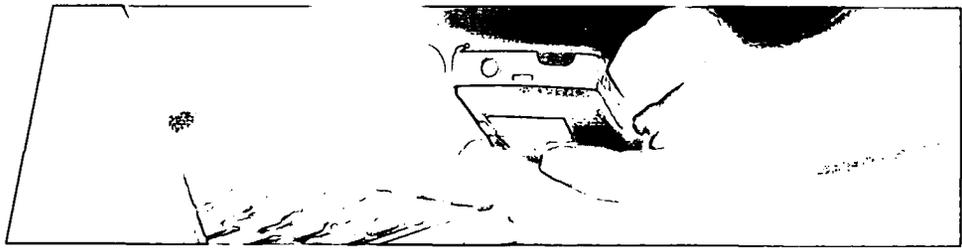
Our team of experienced, versatile real estate professionals assembled is a key element of our proposal. Our team has the experience, vision, and analytical capabilities to exceed your expectations. The following provides a typical scope of work for the financial review of proposed economic development projects. The scope of work is scalable and can be adjusted to the City's needs on a project-by-project basis.

Part 1: kick-off and alternatives

This will provide the framework for each project. The overall goals and detailed project understanding, to be built through interaction and interviews with City personnel, and resulting program statement, will build a foundation for the review of the project being considered by the City.

Tasks:

- ▶ Meet with City representatives to establish lines of communication, provide background materials and introduce consultants to pertinent City Staff
- ▶ Interview key City and Project personnel to obtain a complete understanding of the proposed project
- ▶ Receive briefings from Project personnel regarding their supporting documentation associated with the proposed project, including internal and third-party analyses, as well as source documents and data
- ▶ Review City development plans and related studies as they relate the proposed project
- ▶ Prepare and submit to the City a proposed approach for conducting the financial and or economic review, including additional data and source information requested by Ernst & Young's Team, and a detailed scope of work based on our procedures



Part 2: financial evaluation

This area of analysis will review the financial projections estimated for the proposed project being evaluated by the City. This will include analysis of the project cash flows, market and development assumptions, construction cost estimates, etc.

Tasks:

- ▶ Analysis of the development factors, including but not limited to:
 - Project cash flow estimates
 - Comparison of project costs and potential cash flow values
 - Direct fiscal benefits (Return on Investment) generated for the City by the project from all sources

Part 3: project feasibility

This will review and analyze the marketability and financial feasibility of each proposed project.

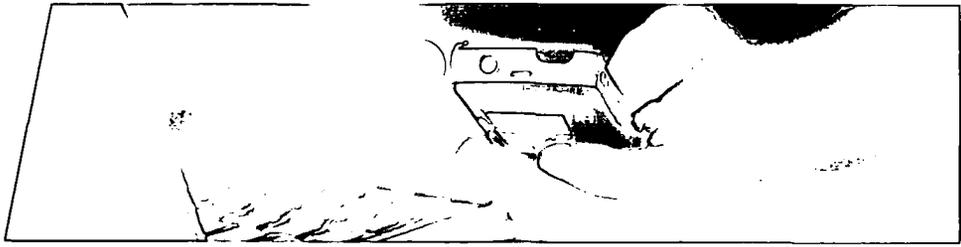
- ▶ Analysis of the following development factors
 - Development phasing
 - Absorption estimates/project demand study
 - Infrastructure costs and phasing
 - Demolition costs and phasing
 - Construction loan and capital costs
 - Environmental conditions
 - Development gap analysis (if any)
- ▶ Capital financing analysis
 - Developer's financing plan for the proposed plan, including the source of funding, cost of capital and the pledge of security
 - Consider the extent to which the developer's financing might be considered on the City's credit by the rating agencies

Part 4: economic impact

Ernst & Young will work with the City to determine what economic impact to the City is interested in evaluating for each project.

Tasks:

- ▶ Analysis of select economic impact metrics using proprietary econometric models, including but not limited to:
 - Direct fiscal impact (Return on Investment)

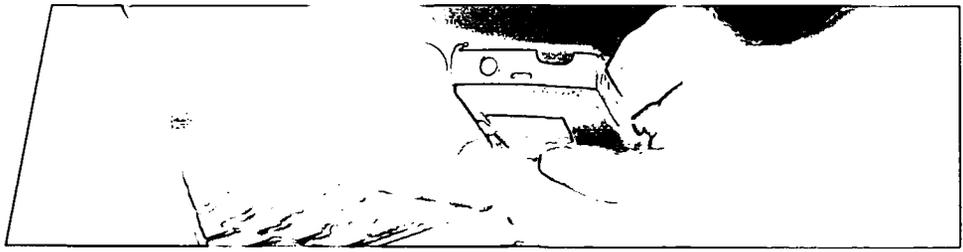


Part 5: final report

Ernst & Young will provide the City with a comprehensive written report summarizing our findings and recommendations based on the financial review of the proposed project. Errors, omissions, anomalies, and deviations in market assumptions will be noted. This will include:

Tasks:

- ▶ Writing and submitting a final comprehensive report detailing the findings and recommendations of the financial review
- ▶ Providing oral presentations to the City Staff on the findings and recommendations of the financial review
- ▶ Providing oral presentations to the Peoria City Council on the findings and recommendations of the financial review
- ▶ Attending additional stakeholder and public meetings as requested by the City to present the findings and recommendations of the financial review



Cost considerations

In providing our fee estimates, Ernst & Young assumes that all data is received in a timely fashion for each engagement and that the appropriate personnel directly or indirectly affiliated with the City are available for interviews. Expenses may include the purchase of third party information.

Ernst & Young is committed to providing sound advisory services at market prices. We will prepare a budget for each new engagement with an anticipated range of fees and will notify the City on a monthly basis as to the status of fees and hours expended. Our professional fees can be on an hourly basis or a fixed fee.

Based on prior experience, our blended hourly rates are typically around \$275 per hour, depending on staffing needs on individual projects. These rates are competitive with local and regional firms that do not have the experience and national exposure of Ernst & Young.

As individual assignments are determined, we will provide a scope of services and budget for each project.

These hourly rates are good for a 12-month period from the date of the transmittal letter and shall increase based on the actual increase in our standard hourly rates, capped at 4% per year. Additional services and new rates shall be negotiated after a two year period and will be mutually acceptable to both parties.

Ernst & Young does not bill an administrative surcharge or for any administrative services. We will bill all direct expenses at actual cost. Any expenditure exceeding \$750 will be pre-approved by the City. Travel and substance costs should be minimal on this engagement, given its local staffing.

We do not anticipate hiring any outside consultants to assist on the project as we believe we have the in-house resources to assist the City on these engagements. If it is determined that additional resources are necessary on an individual project (such as a civil engineer), we will make sure the sub-contractor is approved by the city prior to beginning any work.



Offer and award contract document

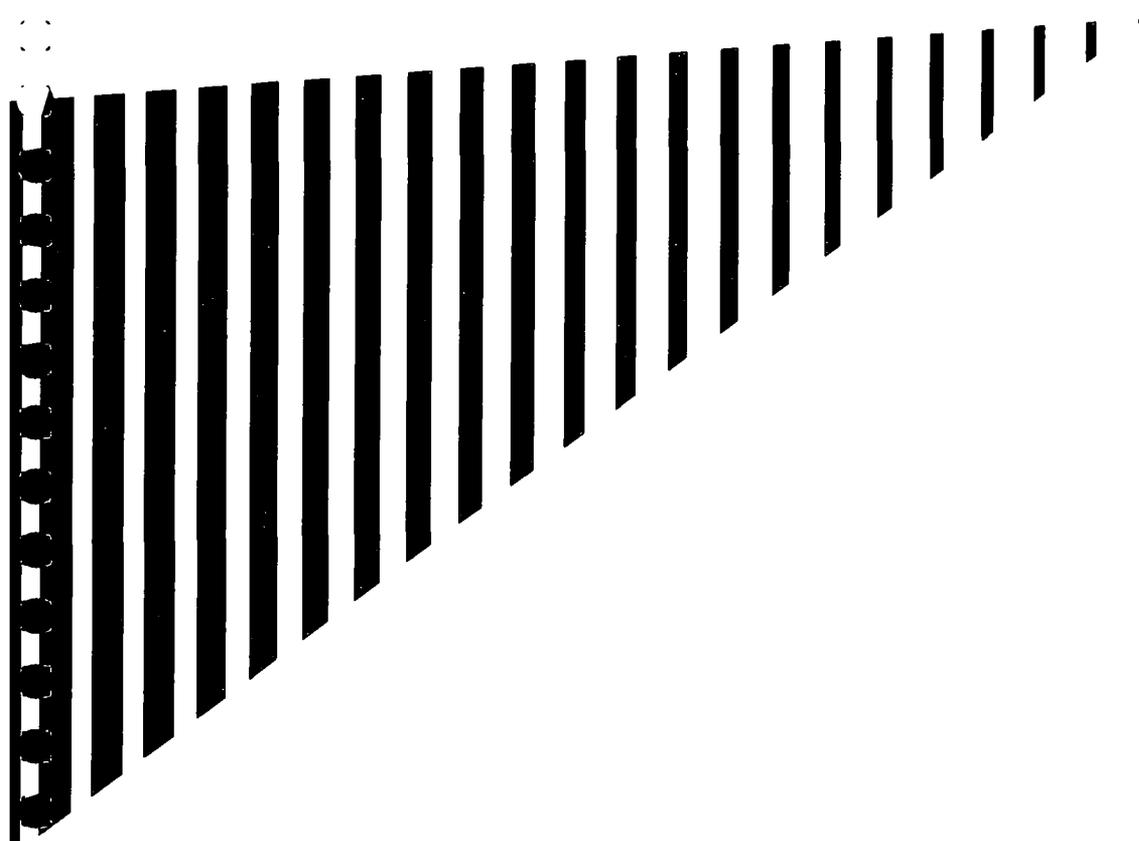
Proposal to provide economic
development analysis consultant
services

Real Estate Consultant
for the

City of Peoria

RFP# P13-0050

February 21, 2013



ORIGINAL

Economic Development Analysis Consultant Services

Real Estate Consulting for the City of Peoria

We commit to quality service and personal involvement.

Prepared for:
City of Peoria
9875 North 85th Avenue, 2nd Floor
Peoria, AZ 85345

In response to RFP# P13-0050
dated 21 February 2013

Valid for 120 days

Prepared by:
Ernst & Young LLP
2 North Central Avenue, Suite 2300
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Point of Contact:
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Executive Director
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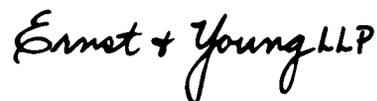
The reasons for selecting Ernst & Young are compelling. As noted throughout our proposal, Ernst & Young offers the City of Peoria a real estate advisor with experience that sets us apart. Our professionals:

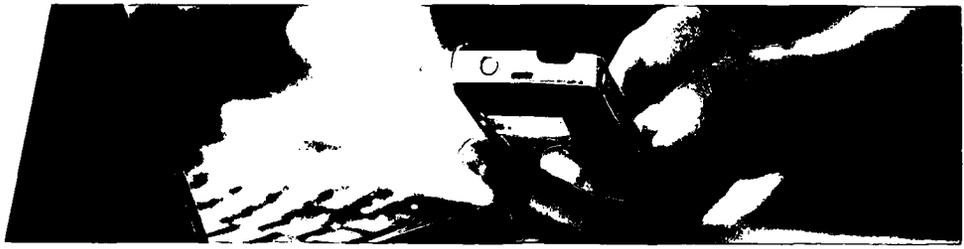
- ▶ Include specialists who have valued a broad range of property types and possess relevant/current market insights to meet your objectives
- ▶ Provide real estate advisory services to more than 5,000 real estate clients throughout the world
- ▶ Combine private sector practices with an understanding of the public sector's diverse needs in striving to provide enhanced/quality services at lower costs, ensuring sustainable economic development, greater transparency and increased accountability

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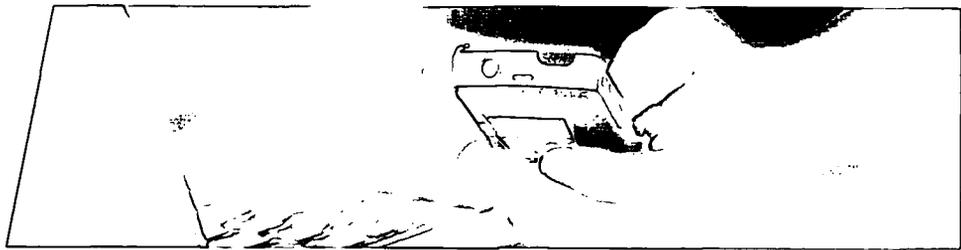
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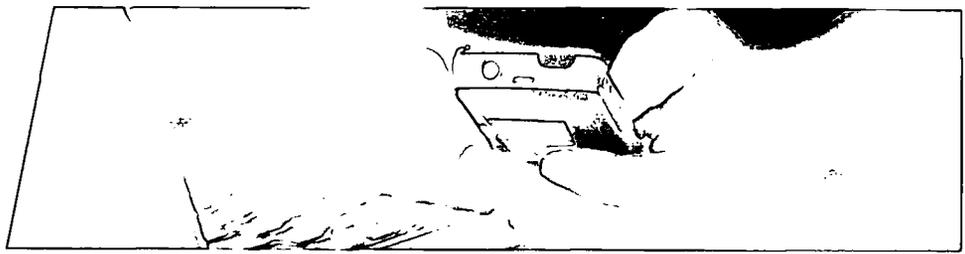
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- Consulted with the City on the DMB/Gaylord convention hotel and resort project on the former GM Proving Grounds site with fiscal impact analyses, project cash flow modeling and feasibility analysis
- Advised the City on the Riverview project including fiscal impact analysis, project cash flow modeling and market feasibility analysis
- Advised the City on the NFL Stadium project with market and fiscal impact studies, cash flow modeling and negotiations with the Arizona Cardinals

City of Glendale, Arizona

Ernst & Young has advised the City of Glendale on several public-private partnerships including Westgate, the Phoenix Cardinal's NFL stadium, the Phoenix Coyotes NHL arena and other redevelopment projects in the city. The analysis included a conference hotel and facilities. Assignments have included construction cost reviews, market analysis, cash flow analysis, incentive analysis and fiscal impact studies.

City of Phoenix, Arizona

Ernst & Young has served the City of Phoenix as a financial advisor on numerous public-private partnerships, including the analysis of several NFL stadium sites, Phoenix Convention Center analysis and presentation to the Legislature and an analysis of the City North project. Assignments have included market analysis, cash flow analysis, incentive analysis and fiscal impact studies.

Arizona State University, Tempe, Arizona

Ernst & Young served as financial real estate advisors to ASU on all of their non-academic real estate transactions for a period of six years. Over that period, EY evaluated and disposed of excess real estate holdings; assisted with negotiation of land leases (including the Suncor deal), real estate purchases and sales; completed market and cash flow analyses, structured GPLET in-lieu deal points and evaluated redevelopment opportunities on their four Phoenix-area campuses.

Ernst & Young assisted in the negotiation and acquisition of ASU's Downtown Phoenix Campus, Downtown Tempe Campus and their Nano-Technology Campus in South Tempe. EY assisted in the negotiation of land leases on complex mixed-use urban projects with Peabody Hotels, Benton Robb, Camden, Suncor, and DR Horton and identified commercial development opportunities on campuses.

Ernst & Young has also participated in several developer selection processes for a mixed-use project, University Center, and student housing developments. Ernst & Young analyzed the feasibility of two conference center hotels as part of our analysis.



Staff capabilities and assignments

Staffing

Our core team has assisted many public clients with their market, due diligence and feasibility analysis requirements. The Ernst & Young Team assembled has long-term experience in the analysis of redevelopment/re-use and public-private projects. Ernst & Young does not anticipate requiring any outside assistance (subcontractor) to complete the scope of work identified in the RFP.

The names and brief resumes of the team leaders who will serve are provided below:

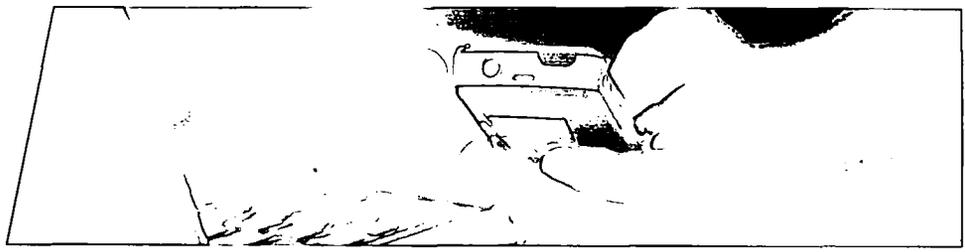
Steven A. Klett, MAI - Executive Director *Project Director*

Position at Ernst & Young: Steve is an Executive Director in Ernst & Young's Transaction Real Estate Group based in Phoenix, Arizona. Steve is head of the real estate valuation practice nationally and the P3 group in the West.

Experience: Steve has more than 25 years experience in real estate advisory and valuation services. Steve specializes in the analysis of public/private partnerships and complex valuation projects and has advised numerous cities, universities and the Federal Government on various real estate transactions including: urban redevelopment projects, mixed-use projects, office and industrial parks, residential communities, tax incentive districts, waterfront projects, student housing, and various special purpose properties. Steve is frequently requested to provide valuation analysis and advice on the most complex real estate projects and issues.

Professional qualifications and organizations: Steve is an MAI and State Certified Real Estate Appraiser in Arizona, California, Nevada, and Colorado. Steve is a member of the ULI AZTAP committee and has served on the National Valuation Committee with NCREIF. Steve is a licensed designated real estate broker in Arizona and a member of NAIOP. He has a Bachelors Degree in Finance from Arizona State University and has completed the course work for a Master's Degree in Real Estate from the University of St. Thomas.

Peoria Engagement Assignment: Steve will be responsible for scope, direction, planning, and completion as well as the commitment of the Firm's resources to the engagement plan. He will monitor the status of the engagement and is also responsible for communication with the client, overall project management and the presentation of final work product.



Tomas Hammarstrom
Technical Advisor

Position at EY: Tomas is a senior manager in Ernst and Young's Transaction Real Estate Practice.

Experience: Tomas has 16 years of experience with the EY Transaction Real Estate group, and has been directly involved in providing real estate advisory services to a diverse client base. Tomas has been involved with strategic planning, market analysis, financial analysis/valuation, fiscal impact analysis, including financing structures for various cities, municipalities, and public-private entities.

Professional qualifications and organizations: Tomas graduated from California State University with a Bachelors of Science in Finance and the University of Stockholm, Sweden with a degree in Business Administration - Economics. Tomas currently holds Certified General Appraiser Licenses in Arizona, and Idaho, and is a Candidate for the CCIM (Certified Commercial Investment Member) designation.

Peoria Engagement Assignment: Tomas' responsibilities will include engagement planning, supervision, review and completion of work. He will monitor the status of the engagement. He will advise and consult with the Executive Director on all significant developments. He will act as primary liaison to the client and will make Executive Director aware of all major developments and review work papers and oversee the drafting of reports.

Valentin Hernandez - Manager
Project Manager

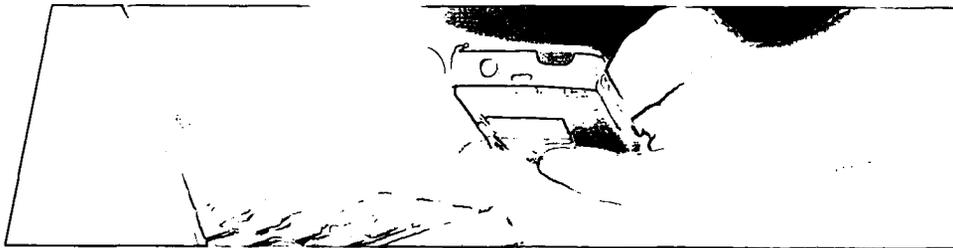
Position at Ernst & Young: Valentin Hernandez is a Manager with Ernst & Young's Transaction Real Estate practice in Phoenix Office.

Experience: Valentin has over 16 years experience in urban planning, redevelopment, and economic development. Prior to joining Ernst & Young, Valentin was employed for eight years with the City of Scottsdale, Arizona, as an Economic Specialist. His projects included major public/private redevelopment projects, outreach and consensus building with stakeholders, as well as land use planning for the City's redevelopment areas. In addition, Valentin has participated in many public forums and provided economic development planning advice to the City's Boards and Commissions as well as on several major projects including the City's Waterfront Redevelopment, ASU Scottsdale Center for New Technology and Innovation, and McDowell Village.

In addition to his public/private redevelopment experience, Valentin has been involved with development feasibility studies, market analysis, real estate financial analysis and various portfolio evaluation engagements.

Professional qualifications and organizations: Valentin has a Bachelor of Science in Design degree in Housing & Urban Development and earned a Master's of Business Administration from Arizona State University.

Peoria Engagement Assignment: Valentin will act as the day-to-day project manager, coordinating the research, data analysis, and creation of the draft and final reports. Responsibilities will include engagement planning, supervision, review and completion of work. He will continually monitors the status of the engagements and will advise and consult on all significant developments.



Project approach

Project understanding

The City of Peoria is engaging in various economic development projects that would require financial analysis so as to determine the accuracy and cost reasonableness of real estate development and business development investment proposals that are submitted to the City.

The City of Peoria is soliciting proposals from consulting firms with experience in real estate development and/or investment financing. Proposing firms shall have the ability to review and advise the city on a variety of financial documents and development proposals. Specifically, firms shall possess the expertise to assist the City in testing the market feasibility, critically analyze the financial strengths and weaknesses, and quantifying economic benefits of development and investment proposals being considered by the City.

We have extensive experience related to real estate transactions, including a wide variety of complex public-private projects, and understand all of the nuances associated with public sector clients.

Project approach

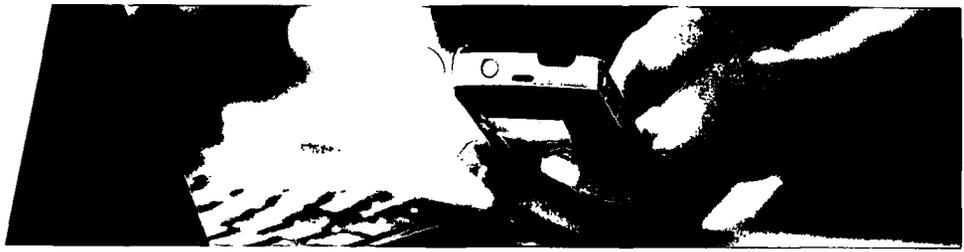
Our team of experienced, versatile real estate professionals assembled is a key element of our proposal. Our team has the experience, vision, and analytical capabilities to exceed your expectations. The following provides a typical scope of work for the financial review of proposed economic development projects. The scope of work is scalable and can be adjusted to the City's needs on a project-by-project basis.

Part 1: kick-off and alternatives

This will provide the framework for each project. The overall goals and detailed project understanding, to be built through interaction and interviews with City personnel, and resulting program statement, will build a foundation for the review of the project being considered by the City.

Tasks:

- ▶ Meet with City representatives to establish lines of communication, provide background materials and introduce consultants to pertinent City Staff
- ▶ Interview key City and Project personnel to obtain a complete understanding of the proposed project
- ▶ Receive briefings from Project personnel regarding their supporting documentation associated with the proposed project, including internal and third-party analyses, as well as source documents and data
- ▶ Review development plans and related studies as they relate the proposed project
- ▶ Prepare and submit to the City a proposed approach for conducting the financial and or economic review, including additional data and source information requested by Ernst & Young's Team, and a detailed scope of work based on our procedures



Part 2: financial evaluation

This area of analysis will review the financial projections estimated for the proposed project being evaluated by the City. This will include analysis of the project cash flows, market and development assumptions, construction cost estimates, etc.

Tasks:

- Analysis of the development factors, including but not limited to:
 - Supply and Demand estimates
 - Project cash flow estimates
 - Comparison of project costs and potential cash flow values
 - Direct fiscal benefits (Return on Investment) generated for the City by the project from all sources

Part 3: project feasibility

This will review and analyze the marketability and financial feasibility of each proposed project.

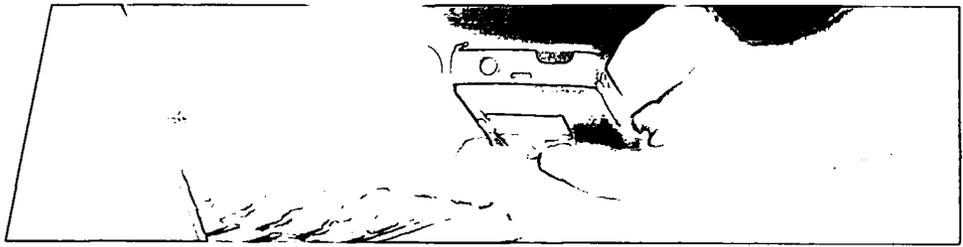
- Analysis of the following development factors
 - Development phasing
 - Absorption estimates/project demand study
 - Infrastructure costs and phasing
 - Demolition costs and phasing
 - Construction loan and capital costs
 - Development gap analysis (if any)
 - Determine developer's IRR for projects based on provided cash flows
- Capital financing analysis
 - Developer's financing plan for the proposed plan, including the source of funding, cost of capital and the pledge of security

Part 4: economic impact

Ernst & Young will work with the City to determine fiscal impacts to the City is interested in evaluating for each project.

Tasks:

- Analysis of select economic impact metrics using proprietary econometric models, including but not limited to:
 - Direct fiscal impact

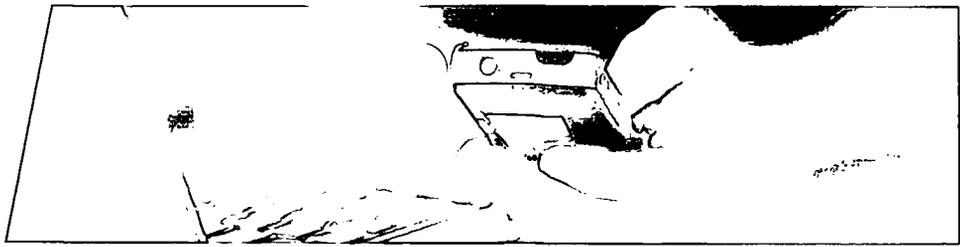


Part 5: final report

Ernst & Young will provide the City with a comprehensive written report summarizing our findings and recommendations based on the financial review of the proposed project. Errors, omissions, anomalies, and deviations in market assumptions will be noted. This will include:

Tasks:

- ▶ Writing and submitting a final comprehensive report detailing the findings and recommendations of the financial review
- ▶ Providing oral presentations to the City Staff on the findings and recommendations of the financial review
- ▶ Providing oral presentations to the Peoria City Council on the findings and recommendations of the financial review
- ▶ Attending additional stakeholder and public meetings as requested by the City to present the findings and recommendations of the financial review



Cost considerations

In providing our fee estimates, Ernst & Young assumes that all data is received in a timely fashion for each engagement and that the appropriate personnel directly or indirectly affiliated with the City are available for interviews. Expenses may include the purchase of third party information.

Ernst & Young is committed to providing sound advisory services at market prices. We will prepare a budget for each new engagement with an anticipated range of fees and will notify the City on a monthly basis as to the status of fees and hours expended. Our professional fees can be on an hourly basis or a fixed fee.

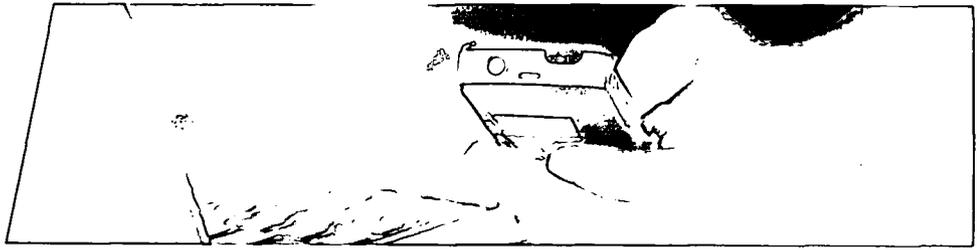
Based on prior experience, our blended hourly rates are typically around \$275 per hour, depending on staffing needs on individual projects. These rates are competitive with local and regional firms that do not have the experience and national exposure of Ernst & Young.

As individual assignments are determined, we will provide a scope of services and budget for each project.

These hourly rates are good for a 12-month period from the date of the transmittal letter and shall increase based on the actual increase in our standard hourly rates, capped at 4% per year. Additional services and new rates shall be negotiated after a two year period and will be mutually acceptable to both parties.

Ernst & Young does not bill an administrative surcharge or for any administrative services. We will bill all direct expenses at actual cost. Any expenditure exceeding \$750 will be pre-approved by the City. Travel and substance costs should be minimal on this engagement, given its local staffing.

We do not anticipate hiring any outside consultants to assist on the project as we believe we have the in-house resources to assist the City on these engagements. If it is determined that additional resources are necessary on an individual project (such as a civil engineer), we will make sure the sub-contractor is approved by the city prior to beginning any work.



Offer and award contract document



REQUEST FOR PROPOSAL

INSTRUCTIONS TO OFFEROR

Materials Management

Procurement

9875 N. 85th Avenue

Peoria, Arizona 85345-6560

Phone: (623) 773-7115

Fax: (623) 773-7118

1. PREPARATION OF PROPOSAL:

- a. All proposals shall be on the forms (if any) provided in this *Request For Proposal* package. It is permissible to copy these forms if required. Telegraphic (facsimile) or mailgram proposals will not be considered.
- b. The Offer and Contract Award document (COP Form 203) shall be submitted with an original ink signature by a person authorized to sign the offer.
- c. Erasures, interlineations, or other modifications in the proposal shall be initialed in original ink by the authorized person signing the Offer sheet.
- d. If price is a consideration and in case of error in the extension of prices in the proposal, the unit price shall govern. No proposal shall be altered, amended, or withdrawn after the specified proposal due date and time.
- e. Periods of time, stated as a number of days, shall be calendar days.
- f. It is the responsibility of all Offerors to examine the entire *Request For Proposal* package and seek clarification of any item or requirement that may not be clear and to check all responses for accuracy before submitting a bid. Negligence in preparing a Proposal confers no right of withdrawal after proposal due date and time.

2. **INQUIRIES:** Any question related to the *Request For Proposal* shall be directed to the purchasing agent whose name appears on the front. The Offeror shall not contact or ask questions of the department for which the requirement is being procured. Questions should be submitted in writing when time permits. The purchasing agent may require any and all questions be submitted in writing at the Buyer's sole discretion. Any correspondence related to a *Request For Proposal* should refer to the appropriate *Request For Proposal* number, page, and paragraph number. However, the Offeror shall not place the *Request For Proposal* number on the outside of any envelope containing questions since such an envelope may be identified as a sealed proposal and, if so, will not be opened until after the official *Request For Proposal* due date and time.

3. **PROSPECTIVE OFFERORS CONFERENCE:** A prospective offerors conference may be held. If scheduled, the date and time of this conference will be indicated within this document. The purpose of this conference will be to clarify the contents of this *Request For Proposal* in order to prevent any misunderstanding of the City's position. Any doubt as to the requirements of this *Request For Proposal* or any apparent omission or discrepancy should be presented to the City at this conference. The City will then determine if any action is necessary and may issue a written amendment to the *Request for Proposal*. Oral statements or instructions will not constitute an amendment to this *Request for Proposal*.

4. **LATE PROPOSALS:** Late Proposals will not be considered, except as provided by the *City of Peoria Procurement Code*. A professional service provider submitting a late proposal shall be so notified.

5. **WITHDRAWAL OF PROPOSAL:** At any time prior to the specified proposal due date and time, a professional service provider (or designated representative) may withdraw the proposal. Telegraphic (facsimile) or mailgram proposal withdrawals will not be considered.

6. **AMENDMENT OF PROPOSAL:** Receipt of a Solicitation Amendment (COP Form 207) shall be acknowledged by signing and returning the document prior to the specified proposal due date and time.

7. **PAYMENT:** The City will make every effort to process payment for the purchase of services within thirty (30) calendar days after receipt of services and a correct notice of amount due, unless a good faith dispute exists as to any obligation to pay all or a portion of the account. Any proposal that requires payment in less than thirty (30) calendar days shall not be considered.

8. **DISCOUNTS:** Payment discount periods will be computed from the date of receipt of service or correct invoice, whichever is later, to the date Buyer's payment is mailed. Unless freight and other charges are itemized, any discount provided will be taken on full amount of invoice. Payment discounts of thirty (30) calendar days or more will be deducted from the proposal price in determining the low bid. However, the Buyer shall be entitled to take advantage of any payment discount offered by the Offeror provided payment is made within the discount period.

9. **TAXES:** The City of Peoria is exempt from Federal Excise Tax, including the Federal Transportation Tax. Sales tax, if any, shall be indicated as a separate item.

10. **VENDOR REGISTRATION:** After the award of a contract, the successful Offeror shall have a completed Vendor Registration Form (COP Form 200) on file with the City of Peoria Materials Management Division.

11. AWARD OF CONTRACT:

- a. Notwithstanding any other provision of this *Request For Proposal*, The City expressly reserves the right to:

- (1) Waive any immaterial defect or informality; or
- (2) Reject any or all proposals, or portions thereof, or
- (3) Reissue a *Request For Proposal*.

- b. A response to a *Request For Proposal* is an offer to contract with the City based upon the terms, conditions and specifications contained in the City's *Request For Proposal* and the written amendments thereto, if any. Proposals do not become contracts unless and until they are accepted by the City Council. A contract is formed when written notice of award(s) is provided to the successful Offeror(s). The contract has its inception in the award document, eliminating a formal signing of a separate contract. For that reason, all of the terms and conditions of the procurement contract are contained in the *Request For Proposal*; unless modified by a Solicitation Amendment (COP Form 207) or a Contract Amendment (COP Form 217).



STANDARD TERMS AND CONDITIONS

**Materials Management
Procurement**
9875 N. 85th Avenue
Peoria, Arizona 85345-6560
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THE FOLLOWING TERMS AND CONDITIONS ARE AN EXPLICIT PART OF THE SOLICITATION AND ANY RESULTANT CONTRACT.

1. **CERTIFICATION:** By signature in the Offer section of the Offer and Contract Award page (COP Form 203), the Professional Services Provider, (Consultant), certifies:
 - a. The submission of the offer did not involve collusion or other anti-competitive practices.
 - b. The Consultant shall not discriminate against any employee or applicant for employment in violation of Federal Executive Order 11246.
 - c. The Consultant has not given, offered to give, nor intends to give at any time hereafter any economic opportunity, future employment, gift, loan, gratuity, special discount, trip favor, or service to a public servant in connection with the submitted offer. Failure to sign the offer, or signing it with a false statement, shall void the submitted offer or any resulting contracts, and the Consultant may be debarred.
2. **GRATUITIES:** The City may, by written notice to the Consultant, cancel this contract if it is found by the City that gratuities, in the form of entertainment, gifts or otherwise, were offered or given by the Consultant or any agent or representative of the Consultant, to any officer or employee of the City with a view toward securing an order, securing favorable treatment with respect to the awarding, amending, or the making of any determinations with respect to the performing of such order. In the event this contract is cancelled by the City pursuant to this provision, the City shall be entitled, in addition to any other rights and remedies, to recover or withhold from the Consultant the amount of the gratuity. Paying the expense of normal business meals which are generally made available to all eligible city government customers shall not be prohibited by this paragraph.
3. **APPLICABLE LAW:** In the performance of this agreement, contractors shall abide by and conform to any and all laws of the United States, State of Arizona and City of Peoria including but not limited to federal and state executive orders providing for equal employment and procurement opportunities, the Federal Occupational Safety and Health Act and any other federal or state laws applicable to this agreement.

Contractor specifically understands and acknowledges the applicability to it of the Americans with Disabilities Act, the Immigration Reform and Control Act of 1986, and the Drug Free Workplace Act of 1989. In addition, if this agreement pertains to construction, Contractor must also comply with A.R.S. § 34-301, as amended (Employment of Aliens on Public Works Prohibited) and A.R.S. § 34-302, as amended (Residence Requirements for Employees).

Under the provisions of A.R.S. § 41-4401, Contractor hereby warrants to the City that Contractor and each of its subcontractors ("Subcontractors") will comply with, and are contractually obligated to comply with, all Federal immigration laws and regulations that relate to their employees and A.R.S. § 23-214(A) (hereinafter, "Contractor Immigration Warranty").

A breach of the Contractor Immigration Warranty shall constitute a material breach of this agreement and shall subject Contractor to penalties up to and including termination of this agreement at the sole discretion of the City. The City may, at its sole discretion, conduct random verification of the employment records of Contractor and any Subcontractors to ensure compliance with the Contractor Immigration Warranty. Contractor agrees to assist the City in regard to any random verifications performed.

Neither Contractor nor any Subcontractor shall be deemed to have materially breached the Contractor Immigration Warranty if Contractor or the Subcontractor establishes that it has complied with the employment verification provisions prescribed by §§ 274A and 274B of the Federal Immigration and Nationality Act and the E-Verify requirements prescribed by A.R.S. §23-214(A).

The provisions of this Paragraph must be included in any contract Contractor enters into with any Subcontractors who provide services under this agreement or any subcontract. "Services" is defined as furnishing labor, time or effort in the State of Arizona by a contractor or subcontractor. Services include construction or maintenance of any structure, building or transportation facility or improvement to real property.

Contractor warrants, for the term of this agreement and for six months thereafter, that it has fully complied with the requirements of the Immigration Reform and Control Act of 1986 and all related or similar legal authorities.



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This contract shall be governed by the City and Contractor shall have all remedies afforded each by the Uniform Commercial Code, as adopted in the State of Arizona, except as otherwise provided in this contract or in statutes pertaining specifically to the City. This contract shall be governed by the laws of the State of Arizona and suit pertaining to this contract may be brought only in courts in the State of Arizona.

This contract is subject to the provisions of ARS §38-511; the City may cancel this contract without penalty or further obligations by the City or any of its departments or agencies if any person significantly involved in initiating, negotiating, securing, drafting or creating the contract on behalf of the City or any of its departments or agencies, is at any time while the contract or any extension of the contract is in effect, an employee of any other party to the contract in any capacity or a consultant to any other party of the contract with respect to the subject matter of the contract.

4. **LEGAL REMEDIES:** All claims and controversies shall be subject to resolution according to the terms of the City of Peoria Procurement Code.
5. **CONTRACT:** The contract between the City and the Consultant shall consist of (1) the Solicitation, including instructions, all terms and conditions, specifications, scopes of work, attachments, and any amendments thereto, and (2) the offer submitted by the Consultant in response to the solicitation. In the event of a conflict in language between the Solicitation and the Offer, the provisions and requirements in the Solicitation shall govern. However, the City reserves the right to clarify, in writing, any contractual terms with the concurrence of the Consultant, and such written contract shall govern in case of conflict with the applicable requirements stated in the Solicitation or the Consultant's offer. The Solicitation shall govern in all other matters not affected by the written contract.
6. **CONTRACT AMENDMENTS:** This contract may be modified only by a written Contract Amendment (COP Form 217) signed by persons duly authorized to enter into contracts on behalf of the City and the Consultant.
7. **CONTRACT APPLICABILITY:** The Offeror shall substantially conform to the terms, conditions, specifications and other requirements found within the text of this specific Solicitation. All previous agreements, contracts, or other documents, which have been executed between the Offeror and the City are not applicable to this Solicitation or any resultant contract.
8. **PROVISIONS REQUIRED BY LAW:** Each and every provision of law and any clause required by law to be in the contract will be read and enforced as though it were included herein, and if through mistake or otherwise any such provision is not inserted, or is not correctly inserted, then upon the application of either party, the contract will forthwith be physically amended to make such insertion or correction.
9. **SEVERABILITY:** The provisions of this contract are severable to the extent that any provision or application held to be invalid shall not affect any other provision or application of the contract which may remain in effect without the invalid provision or application.
10. **RELATIONSHIP TO PARTIES:** It is clearly understood that each party will act in its individual capacity and not as an agent, employee, partner, joint venturer, or associate of the other. An employee or agent of one party shall not be deemed or construed to be the employee or agent of the other for any purpose whatsoever. The Consultant is advised that taxes or Social Security payments will not be withheld from any City payments issued hereunder and that the Consultant should make arrangements to directly pay such expenses, if any.
11. **INTERPRETATION-PAROL EVIDENCE:** This contract represents the entire agreement of the Parties with respect to its subject matter, and all previous agreements, whether oral or written, entered into prior to this contract are hereby revoked and superseded by this contract. No representations, warranties, inducements or oral agreements have been made by any of the Parties except as expressly set forth herein, or in any other contemporaneous written agreement executed for the purposes of carrying out the provisions of this contract. This contract may not be changed, modified or rescinded except as provided for herein, absent a written agreement signed by both Parties. Any attempt at oral modification of this contract shall be void and of no effect.
12. **NO DELEGATION OR ASSIGNMENT:** Contractor shall not delegate any duty under this Contract, and no right or interest in this Contract shall be assigned by Contractor to any successor entity or third party, including but not limited to an affiliated successor or purchaser of Contractor or its assets, without prior written permission of the City. The City, at its



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option, may cancel this Contract in the event Contractor undertakes a delegation or assignment without first obtaining the City's written approval. Contractor agrees and acknowledges that it would not be unreasonable for the City to decline to approve a delegation or assignment that results in a material change to the services provided under this Contract or an increased cost to the City.

13. **SUBCONTRACTS:** No subcontract shall be entered into by the Consultant with any other party to furnish any of the material, service or construction specified herein without the advance written approval of the City. The prime Consultant shall itemize all sub-contractors which shall be utilized on the project. Any substitution of sub-contractors by the prime Consultant shall be approved by the City and any cost savings will be reduced from the prime Consultant's bid amount. All subcontracts shall comply with Federal and State laws and regulations which are applicable to the services covered by the subcontract and shall include all the terms and conditions set forth herein which shall apply with equal force to the subcontract and if the Subcontractor were the Consultant referred to herein. The Consultant is responsible for contract performance whether or not Subcontractors are used.
14. **RIGHTS AND REMEDIES:** No provision in this document or in the Consultant's offer shall be construed, expressly or by implication, as waiver by the City of any existing or future right and/or remedy available by law in the event of any claim of default or breach of contract. The failure of the City to insist upon the strict performance of any term or condition of the contract or to exercise or delay the exercise of any right or remedy provided in the contract, or by law, or the City's acceptance of and payment for materials or services, shall not release the Consultant from any responsibilities or obligations imposed by this contract or by law, and shall not be deemed a waiver of any right of the City to insist upon the strict performance of the Contract.
15. **INDEMNIFICATION:** To the fullest extent permitted by law, the Consultant shall defend, indemnify and hold harmless the City, its agents, representatives, officers, directors, officials and employees for costs or damages for which the Consultant is legally responsible or for which the City is vicariously liable on account of the Consultant's willful or negligent acts, error or omissions.

The amount and type of insurance coverage requirements set forth herein will in no way be construed as limiting the scope of the indemnity in this paragraph.

16. **OVERCHARGES BY ANTITRUST VIOLATIONS:** The City maintains that, in practice, overcharges resulting from antitrust violations are borne by the purchaser. Therefore, to the extent permitted by law, the Consultant hereby assigns to the City any and all claims for such overcharges as to the goods and services used to fulfill the Contract.
17. **FORCE MAJEURE:** Except for payment for sums due, neither party shall be liable to the other nor deemed in default under this Contract if and to the extent that such party's performance of this Contract is prevented by reason of force Majeure. The term "*force majeure*" means an occurrence that is beyond the control of the party affected and occurs without its fault or negligence. Without limiting the foregoing, force majeure includes acts of God: acts of the public enemy; war; acts of terror, hate crimes affecting public order; riots; strikes; mobilization; labor disputes; civil disorders; fire; floods; lockouts, injunctions-intervention-acts, or failures or refusals to act by government authority; events or obstacles resulting from a governmental authority's response to the foregoing; and other similar occurrences beyond the control of the party declaring force majeure which such party is unable to prevent by exercising reasonable diligence. The force majeure shall be deemed to commence when the party declaring force majeure notifies the other party of the existence of the force majeure and shall be deemed to continue as long as the results or effects of the force majeure prevent the party from resuming performance in accordance with this Contract.

Force majeure shall not include the following occurrences:

- a. Last minute failure of office equipment is not force majeure.
- b. Late performance by a subcontractor unless the delay arises out of a force majeure occurrence in accordance with this Force Majeure term and Condition.

Any delay or failure in performance by either party hereto shall not constitute default hereunder or give rise to any claim for damages or loss of anticipated profits if, and to the extent that such delay or failure is caused by force majeure. If either party is delayed at any time in the progress of the work by force majeure, then the delayed party shall notify the other party



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in writing of such delay within forty-eight (48) hours commencement thereof and shall specify the causes of such delay in such notice. Such notice shall be hand delivered or mailed *Certified-Return Receipt* and shall make a specific reference to this article, thereby invoking its provisions. The delayed party shall cause such delay to cease as soon as practicable and shall notify the other party in writing. The time of completion shall be extended by contract modification for a period of time equal to the time that the results or effects of such delay prevent the delayed party from performing in accordance with this contract.

18. **RIGHT TO ASSURANCE:** Whenever one party to this contract in good faith has reason to question the other party's intent to perform he may demand that the other party give a written assurance of this intent to perform. In the event that a demand is made and no written assurance is given within five (5) days, the demanding party may treat this failure as an anticipatory repudiation of the Contract.
19. **RIGHT TO AUDIT RECORDS:** The City may, at reasonable times and places, audit the books and records of any Contractor as related to any contract held with the City. This right to audit also empowers the City to inspect the papers of any Contractor or Subcontractor employee who works on this contract to ensure that the Contractor or Subcontractor is complying with the Contractor Immigration Warranty made pursuant to Paragraph 3 above.
20. **RIGHT TO INSPECT:** The City may, at reasonable times, inspect the part of the place of business of a Consultant or Subcontractor which is related to the performance of any contract as awarded or to be awarded.
21. **WARRANTIES:** Consultant warrants that all services delivered under this contract shall conform to the specifications of this contract. Consultant warrants that all services shall be performed in a manner consistent with that degree of care and skill ordinarily exercised by members of the same profession currently practicing under similar circumstances. Additional warranty requirements may be set forth in the solicitation.
22. **INSPECTION:** All services are subject to final inspection and acceptance by the City. Services failing to conform to the specifications of this Contract will be held at Consultant's risk and may be returned to the Consultant. If so returned, all costs are the responsibility of the Consultant. The City may elect to do any or all:
 - a. Waive the non-conformance.
 - b. Stop the work immediately.
 - c. Bring material into compliance.This shall be accomplished by a written determination for the City.
23. **TITLE AND RISK OF LOSS:** The title and risk of loss of service shall not pass to the City until the City actually receives the service at the point of delivery, unless otherwise provided within this Contract.
24. **NO REPLACEMENT OF DEFECTIVE TENDER:** Every tender of materials shall fully comply with all provisions of the Contract. If a tender is made which does not fully conform, this shall constitute a breach of the Contract as a whole.
25. **DEFAULT IN ONE INSTALLMENT TO CONSTITUTE TOTAL BREACH:** Consultant shall deliver conforming materials in each installment of lot of this Contract and may not substitute nonconforming materials. Delivery of nonconforming materials or a default of any nature, at the option of the City, shall constitute a breach of the Contract as a whole.
26. **LICENSES:** Consultant shall maintain in current status all Federal, State and Local licenses and permits required for the operation of the business conducted by the Consultant as applicable to this Contract.
27. **PATENTS AND COPYRIGHTS:** All services, information, computer program elements, reports and other deliverables, which may be patented or copyrighted and created under this contract are the property of the City and shall not be used or released by the Consultant or any other person except with the prior written permission of the City.
28. **PREPARATION OF SPECIFICATIONS BY PERSONS OTHER THAN CITY PERSONNEL:** All specifications shall seek to promote overall economy for the purposes intended and encourage competition and not be unduly restrictive in satisfying the City's needs. No person preparing specifications shall receive any direct or indirect benefit from the utilization of specifications, other than fees paid for the preparation of specifications.



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29. **COST OF PROPOSAL PREPARATION:** The City shall not reimburse the cost of developing presenting or providing any response to this solicitation. Offers submitted for consideration should be prepared simply and economically, providing adequate information in a straightforward and concise manner.
30. **PUBLIC RECORD:** All offers submitted in response to this solicitation shall become the property of the City and shall become a matter of public record available for review, subsequent to the award notification, in accordance with the City's Procurement Code. However, subsequent to the award of the contract, any information and documents obtained by the City during the course of an audit conducted in accordance with Paragraph 19 above for the purpose of determining compliance by Contractor or a Subcontractor with the Contractor Immigration Warranty mandated by Paragraph 3 above shall remain confidential and shall not be made available for public review or produced in response to a public records request, unless the City is ordered or otherwise directed to do so by a court of competent jurisdiction.
31. **ADVERTISING:** Consultant shall not advertise or publish information concerning this Contract, without prior written consent of the City.
32. **DELIVERY ORDERS:** The City shall issue a Purchase Order for the services covered by this contract. All such documents shall reference the contract number as indicated on the Offer and Contract Award (COP Form 203).
33. **FUNDING:** Any contract entered into by the City of Peoria is subject to funding availability. Fiscal years for the City of Peoria are July 1 to June 30. The City Council approves all budget requests. If a specific funding request is not approved, the contract shall be terminated.
34. **DISCLAIMER:** The City of Peoria, Arizona provides current and complete solicitation information for registered Plan Holders only. Updates, amendments and related information regarding the solicitation contained herein will be delivered only to registered Plan Holders. The City assumes no liability or duty to so update or send any update to persons who are not Plan Holders. Any person who acquires these documents from any source other than the City website or directly from the Materials Management Division, has no assurance that the solicitation is valid. No person may amend this document, nor may any person publish it without this disclaimer.
35. **PAYMENT:** A separate invoice shall be issued for each service performed, and no payment will be issued prior to receipt of services and correct invoice.
36. **PROHIBITED LOBBYING ACTIVITIES:** The Offeror, his/her agent or representative shall not contact, orally or in any written form any City elected official or any City employee other than the Materials Management Division, the procuring department, City Manager, Deputy City Manager or City Attorney's office (for legal issues only) regarding the contents of this solicitation or the solicitation process commencing from receipt of a copy of this request for proposals and ending upon submission of a staff report for placement on a City Council agenda. The Materials Manager shall disqualify an Offeror's proposal for violation of this provision. This provision shall not prohibit an Offeror from petitioning an elected official after submission of a staff report for placement on a City Council agenda or engaging in any other protected first amendment activity after submission of a staff report for placement on a City Council agenda.
37. **PROHIBITED POLITICAL CONTRIBUTION:** Consultant during the term of this Agreement shall not make a contribution reportable under Title 16, Chapter 6, Article 1, Arizona Revised Statutes to a candidate or candidate committee for any city elective office during the term of this Agreement. The City reserves the right to terminate the Agreement without penalty for any violation of this provision.



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1. **Purpose:** Pursuant to provisions of the City Procurement Code, the City of Peoria, Materials Management Division intends to establish a contract for **ECONOMIC DEVELOPMENT ANALYSIS CONSULTANT SERVICES**.
2. **Authority:** This Solicitation as well as any resultant contract is issued under the authority of the City. No alteration of any resultant contract may be made without the express written approval of the City Materials Manager in the form of an official contract amendment. Any attempt to alter any contract without such approval is a violation of the contract and the City Procurement Code. Any such action is subject to the legal and contractual remedies available to the City inclusive of, but not limited to, contract cancellation, suspension and/or debarment of the Consultant.
3. **Offer Acceptance Period:** In order to allow for an adequate evaluation, the City requires an offer in response to this Solicitation to be valid and irrevocable for sixty (60) days after the opening time and date.
4. **Eligible Agencies:** Any contract resulting from this Solicitation shall be for the use of all City of Peoria departments, agencies and boards.
5. **Cooperative Purchasing:** Any contract resulting from this solicitation shall be for the use of the City of Peoria. In addition, specific eligible political subdivisions and nonprofit educational or public health institutions may also participate at their discretion. In order to participate in any resultant contract, a political subdivision or nonprofit educational or public health institution must have been invited to participate in this specific solicitation and the contractor must be in agreement with the cooperative transaction. In addition to cooperative purchasing, any eligible agency may elect to participate (piggyback) on any resultant contract; the specific eligible political subdivision, nonprofit educational or public health institution and the contractor must be in agreement.

Any orders placed to the successful contractor will be placed by the specific agencies participating in this purchase. Payment for purchases made under this agreement will be the sole responsibility of each participating agency. The City shall not be responsible for any disputes arising out of transactions made by others.
6. **Contract Type:** On-Call
7. **Term of Contract:** The term of any resultant contract shall commence on the first day of the month following the date of award and shall continue for a period of one (1) year thereafter, unless terminated, cancelled or extended as otherwise provided herein.
8. **Contract Extension:** By mutual written contract amendment, any resultant contract may be extended for supplemental periods of up to a maximum of forty-eight (48) months.
9. **Affirmative Action:** It is the policy of the City of Peoria that suppliers of goods or services to the City adhere to a policy of equal employment opportunity and demonstrate an affirmative effort to recruit, hire, and promote regardless of race, color, religion, gender, national origin, age or disability. The City of Peoria encourages diverse suppliers to respond to solicitations for products and services.
10. **Proposal Format:** Proposals shall be submitted in one (1) original and four (4) copies on the forms and in the format as contained in the Request for Proposal. Proposals shall be on 8 1/2" & 11" paper with the text on one side only. All submittal information must contain data for only the local office(s) which will be performing the work. The proposals should be submitted in the maximum length requirements as specified:
 - a. **Evaluation:** In accordance with the City of Peoria Procurement Code, awards shall be made to the responsible offeror whose proposal is determined in writing to be the most advantageous to the City, based upon the evaluation criteria listed below. The evaluation factors are listed in their relative order of importance.
 - i. Project Understanding and Project Approach. (300 points)
 - ii. Firm's Experience/Similar Projects. (275points)
 - iii. Staff's Capabilities and Assignments. (275 points)
 - iv. Cost Structure for Various Services. (125 points)
 - v. Conformance to Request for Technical Proposals. (25 points)



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11. **Discussions:** In accordance with the City of Peoria Procurement Code, after the initial receipt of proposals, discussions may be conducted with offerors who submit proposals determined to be reasonably susceptible of being selected for award.
12. **Interview Guidelines:** During any requested interview, which would be scheduled in the future, be prepared to discuss your firm's proposal, staff assignments, project approach and other pertinent information. The presentation shall be approximately 30 minutes, allowing 30 minutes for a question and answer session. The Consultant's Project/Team Manager shall lead the presentation team and answer questions on behalf of the Consultant. If work involves a major sub-consultant, the firms Project/Team Manager's presence may also be requested (by the City) at the interview.
 - a. **Interviews:** If interviews are needed, the final selection scoring will start over and be based on the presentation and interview scores only.
 - i. Presentation (500 points)
 - ii. Interview Questions and Answers (500 points)
13. **Proposal Opening:** Proposals shall be submitted at the time and place designated in the request for proposals. All information contained in the proposals shall be deemed as exempt from public disclosure based on the City's need to avoid disclosure of contents prejudicial to competing offerors during the process of negotiation. The proposals shall not be open for public inspection until after contract award. **PRICES SHALL NOT BE READ.** After contract award, the successful proposal and the evaluation documentation shall be open for public inspection.
14. **Price Adjustment:** The City of Peoria Purchasing Office will review fully documented requests for price increases after any contract has been in effect for one (1) year. Any price increase adjustment will only be made at the time of contract extension and will be a factor in the extension review process. The City of Peoria Materials Management Division will determine whether the requested price increase or an alternate option, is in the best interest of the City. Any price adjustment will be effective upon the effective date of the contract extension.
15. **Performance Warranty:** This section does not relieve Consultant from its obligation to provide Work and Materials/Design Materials appropriate to the purposes of this Project. Nothing in this Agreement creates any contractual liability between the City of Peoria and any Subcontractor; however, the City of Peoria is an intended third-party beneficiary of all contracts for services, all Subcontracts, purchase orders and other agreements between the Consultant and third parties. The Consultant must incorporate the obligations of this Agreement into its respective Subcontracts, supply agreements and purchase orders.
16. **Permits and Approvals:** Consultant agrees and undertakes to obtain necessary permits and approvals, as per the scope of work, from all local, state and federal authorities for the project. In all other cases, the consultant agrees to assist the city to obtain all necessary permits and approvals from all local, state, and federal authorities for the project.
17. **Scope of Work Deliverable:** The successful Consultant shall prepare and provide a detailed Scope of Work for the project. The finalized Scope of Work shall include the agreed upon approach, method, format, and timing to complete the project.
18. **Inspection:** All work shall be subject to inspection, surveillance, and test by the City at reasonable times during the performance of the contract. The Consultant shall provide and maintain an inspection system which is acceptable to the City.
19. **Ownership of Documents:** All materials/design materials (hardcopy or electronic), drawings, specifications, reports, and other data developed by the Consultant, its assigned employees or subconsultants pursuant to this Agreement shall become the property of the City of Peoria as prepared, whether delivered to the City of Peoria or not. Unless otherwise provided herein, all such data shall be delivered to the City of Peoria or its designee upon completion of the agreement or at such other times as the City of Peoria or its designee may request.

The City of Peoria shall indemnify and hold harmless the Consultant, its Subcontractors, Subconsultants, and their respective agents and employees from and against all claims, liabilities, demands, actions, costs and expenses (including attorneys' and experts' fees and costs) (collectively, "Claims") arising from any use by the City of Peoria, its successors or assigns of such Materials/Design Materials if reuse, modifications or amendments of any such materials/design materials are made without the prior consent and involvement of the Consultant.



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20. **Use of Materials/Design Materials:** The City of Peoria shall have unlimited rights to copy and use in connection with the Project all Materials/Design Materials, including the right to use same on the Project at no additional cost to the City of Peoria, regardless of degree of completion, provided that said services performed have been fully paid for as required by the terms of this Agreement exclusive of amounts disputed by City of Peoria in good faith. The Consultant agrees to and does hereby grant to the City of Peoria and any assignee or successor of the City of Peoria as owner of the Project a royalty-free license to any such Materials/Design Materials as to which the Consultant may assert any rights under the patent or copyright laws. The Consultant hereby assigns outright and exclusively to the City of Peoria all copyrights of the Project. The Consultant, as part of its agreements with any Subcontractor or Subconsultant, will secure such license and use rights from each such entity, and shall defend, indemnify and hold the City of Peoria and any successors or assigns harmless from any claims from such for claims by such entities for copyright or patent infringement.
21. **Investigation of Conditions:** The Consultant warrants and agrees familiarity of the work that is required, is satisfied as to the conditions under which is performed and enters into this contract based upon the Consultants own investigation.
22. **Compensation:** Compensation for services shall be based upon fees negotiated, including all approved costs and expenses incurred in connection with the project; including but not limited to, telephone and other communications, reproduction of documents, special consultants (as approved by the City) and computer costs.
23. **Acceptance:** Determination of the acceptability of work shall be completed in a responsive and professional manner and in accordance with the specifications, schedules, or plans which are incorporated in the Scope of Work.
24. **Payments:** The City shall pay the Consultant monthly, based upon work performed and completion to date, and upon submission of invoices. All invoices shall document and itemize all work completed to date. The invoice statement shall include a record of time expended and work performed in sufficient detail to justify payment.
25. **Insurance Requirements:** The Consultant, at Consultant's own expense, shall purchase and maintain the herein stipulated minimum insurance with companies duly licensed, possessing a current A.M. Best, Inc. Rating of A-, or approved unlicensed in the State of Arizona with policies and forms satisfactory to the City.

All insurance required herein shall be maintained in full force and effect until all work or service required to be performed under the terms of the Contract is satisfactorily completed and formally accepted; failure to do so may, at the sole discretion of the City, constitute a material breach of this Contract.

The Consultant's insurance shall be primary insurance as respects the City, and any insurance or self-insurance maintained by the City shall not contribute to it.

Any failure to comply with the claim reporting provisions of the insurance policies or any breach of an insurance policy warranty shall not affect coverage afforded under the insurance policies to protect the City.

The insurance policies, except Workers' Compensation, shall contain a waiver of transfer rights of recovery (subrogation) against the City, its agents, representatives, directors, officers, and employees for any claims arising out of the Consultant's acts, errors, mistakes, omissions, work or service.

The insurance policies may provide coverage which contain deductibles or self-insured retentions. Such deductible and/or self-insured retentions shall not be applicable with respect to the coverage provided to the City under such policies. The Consultant shall be solely responsible for the deductible and/or self-insured retention and the City, at its option, may require the Consultant to secure payment of such deductibles or self-insured retentions by a Surety Bond or an irrevocable and unconditional letter of credit.

The City reserves the right to request and to receive, within 10 working days, certified copies of any or all of the herein required insurance policies and endorsements. The City shall not be obligated, however, to review same or to advise Consultant of any deficiencies in such policies and endorsements, and such receipt shall not relieve Consultant from, or be deemed a waiver of the City's right to insist on, strict fulfillment of Consultant's obligations under this Contract.

The insurance policies, except Workers' Compensation and Professional Liability, required by this Contract, shall name the City, its agents, representatives, officers, directors, officials and employees as Additional Insureds.



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26. Required Insurance Coverage:

a. Commercial General Liability

Consultant shall maintain Commercial General Liability insurance with a limit of not less than \$1,000,000 for each occurrence with a \$2,000,000 Products/Completed Operations Aggregate and a \$2,000,000 General Aggregate Limit. The policy shall include coverage for bodily injury, broad form property damage, personal injury, products and completed operations and blanket contractual coverage including, but not limited to, the liability assumed under the indemnification provisions of this Contract which coverage will be at least as broad as Insurance Service Office, Inc. Policy Form CG 00011207 or any replacements thereof. The coverage shall not exclude X, C, U.

Such policy shall contain a severability of interest provision, and shall not contain a sunset provision or commutation clause, nor any provision which would serve to limit third party action over claims.

The Commercial General Liability additional insured endorsement shall be at least as broad as the Insurance Service Office, Inc.'s Additional Insured, Form B, CG 20370704, and shall include coverage for Consultant's operations and products and completed operations.

If required by this Contract the Consultant subletting any part of the work, services or operations awarded to the Consultant shall purchase and maintain, at all times during prosecution of the work, services or operations under this Contract, an Owner's and Consultant Protective Liability insurance policy for bodily injury and property damage, including death, which may arise in the prosecution of the Consultant's work, service or operations under this Contract. Coverage shall be on an occurrence basis with a limit not less than \$1,000,000 per occurrence, and the policy shall be issued by the same insurance company that issues the Consultant's Commercial General Liability insurance.

b. Automobile Liability

Consultant shall maintain Commercial/Business Automobile Liability insurance with a combined single limit for bodily injury and property damage of not less than \$1,000,000 each occurrence with respect to the Consultant's any owned, hired, and non-owned vehicles assigned to or used in performance of the Consultant's work. Coverage will be at least as broad as coverage code 1, "any auto", (Insurance Service Office, Inc. Policy Form CA 00010306, or any replacements thereof). Such insurance shall include coverage for loading and off loading hazards.

c. Workers' Compensation

The Consultant shall carry Workers' Compensation insurance to cover obligations imposed by federal and state statutes having jurisdiction of Consultant's employees engaged in the performance of the work or services; and, Employer's Liability insurance of not less than \$100,000 for each accident, \$100,000 disease for each employee, and \$500,000 disease policy limit.

In case any work is subcontracted, the Consultant will require the Subcontractor to provide Workers' Compensation and Employer's Liability to at least the same extent as required of the Consultant.

d. Professional Liability

The Consultant retained by the City to provide the work or service required by this Contract will maintain Professional Liability insurance covering acts, errors, mistakes and omissions arising out of the work or services performed by the Consultant, or any person employed by the Consultant, with a limit of not less than \$1,000,000 each claim.

27. Certificates of Insurance: Prior to commencing work or services under this Contract, Consultant shall furnish the City with Certificates of Insurance, and formal endorsements as required by the Contract, issued by Consultant's insurer(s), as evidence that policies providing the required coverages, conditions and limits required by this Contract are in full force and effect.

In the event any insurance policy(ies) required by this contract is(are) written on a "claims made" basis, coverage shall extend for two years past completion and acceptance of the Consultant's work or services and as evidenced by annual Certificates of Insurance.



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If a policy does expire during the life of the Contract, a renewal certificate must be sent to the City fifteen (15) days prior to the expiration date.

All Certificates of Insurance shall be identified with bid serial number and title. A \$25.00 administrative fee will be assessed for all certificates received without the appropriate bid serial number and title.

28. **Cancellation and Expiration Notice:** Insurance required herein shall not expire, be canceled, or materially changed with respect to coverage or rating of carrier. All other changes shall be with thirty (30) days prior written notice to the City.

29. **Independent Contractor:**

a. General

- i. The Consultant acknowledges that all services provided under this Agreement are being provided by him as an independent Consultant, not as an employee or agent of the City Manager or the City of Peoria.
- ii. Both parties agree that this Agreement is nonexclusive and that Consultant is not prohibited from entering into other contracts nor prohibited from practicing his profession elsewhere.

b. Liability

- i. The City of Peoria shall not be liable for any acts of Consultant outside the scope of authority granted under this Agreement or as the result of Consultant's acts, errors, misconduct, negligence, omissions and intentional acts.
- ii. To the fullest extent permitted by law, the Consultant shall defend, indemnify and hold harmless the City, its agents, representatives, officers, directors, officials and employees for costs or damages for which the Consultant is legally responsible or for which the City is vicariously liable on account of the Consultant's willful or negligent acts, errors or omissions.

The amount and type of insurance coverage requirements set forth herein will in no way be construed as limiting the scope of the indemnity in this paragraph.

c. Other Benefits

The Consultant is an independent Consultant, therefore, the City Manager will not provide the Consultant with health insurance, life insurance, workmen's compensation, sick leave, vacation leave, or any other fringe benefits. Further, Consultant acknowledges that he is exempt from coverage of the Comprehensive Benefit and Retirement Act (COBRA). Any such fringe benefits shall be the sole responsibility of Consultant.

30. **Key Personnel:** It is essential that the Consultant provide adequate experienced personnel, capable of and devoted to the successful accomplishment of work to be performed under this contract. The Consultant must agree to assign specific individuals to the key positions.

- a. The Consultant agrees that, once assigned to work under this contract, key personnel shall not be removed or replaced without written notice to the City.
- b. If key personnel are not available for work under this contract for a continuous period exceeding 30 calendar days, or are expected to devote substantially less effort to the work than initially anticipated, the Consultant shall immediately notify the City, and shall, subject to the concurrence of the City, replace such personnel with personnel of substantially equal ability and qualifications.

31. **Confidential Information:**

- a. If a person believes that a bid, proposal, offer, specification, or protest contains information that should be withheld, a statement advising the Materials Supervisor of this fact shall accompany the submission and the information shall be identified.
- b. The information identified by the person as confidential shall not be disclosed until the Materials Supervisor makes a written determination.



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- c. The Materials Supervisor shall review the statement and information and shall determine in writing whether the information shall be withheld.
- d. If the Materials Supervisor determines to disclose the information, the Materials Supervisor shall inform the bidder in writing of such determination.
32. **Identity Theft Prevention:** The Contractor shall establish and maintain Identity Theft policies, procedures and controls for the purpose of assuring that "personal identifying information," as defined by A.R.S. § 13-2001(10), as amended, contained in its records or obtained from the City or from others in carrying out its responsibilities under the Contract, is protected at all times and shall not be used by or disclosed to unauthorized persons. Persons requesting such information should be referred to the City. Contractor also agrees that any "personal identifying information" shall not be disclosed other than to employees or officers of Contractor as needed for the performance of duties under the Contract. Contractor agrees to maintain reasonable policies and procedures designed to detect, prevent and mitigate the risk of identity theft. Contractor is required under this contract to review the City of Peoria's Identity Theft Program and to report to the Program Administrator any Red Flags as defined within that program. At a minimum, the contractor will have the following Identity Theft procedures in place:
- Solicit and retain only the "personal identifying information" minimally necessary for business purposes related to performance of the Contract.
 - Ensure that any website used in the performance of the contract is secure. If a website that is not secure is to be used, the City shall be notified in advance before any information is posted. The City reserves the right to restrict the use of any non-secure websites under this contract.
 - Ensure complete and secure destruction of any and all paper documents and computer files at the end of the contract's retention requirements.
 - Ensure that office computers are password protected and that computer screens lock after a set period of time.
 - Ensure that offices and workspaces containing customer information are secure.
 - Ensure that computer virus protection is up to date.
33. **Confidentiality of Records:** The Consultant shall establish and maintain procedures and controls that are acceptable to the City for the purpose of assuring that information contained in its records or obtained from the City or from others in carrying out its functions under the contract shall not be used or disclosed by it, its agents, officers, or employees, except as required to efficiently perform duties under the contract. Persons requesting such information should be referred to the City. Consultant also agrees that any information pertaining to individual persons shall not be divulged other than to employees or officers of Consultant as needed for the performance of duties under the contract. These provisions shall not restrict the Design Professional from giving notices required by law or complying with an order to provide information or data when such order is issued by a court, administrative agency or other authority with proper jurisdiction.
34. **Ordering Process:** Upon award of a contract by the City of Peoria, Materials Management Division may procure the specific service awarded by the issuance of a purchase order to the appropriate Consultant. The award of a contract shall be in accordance with the City of Peoria Procurement Code and all transactions and procedures required by the Code for public bidding have been complied with. A purchase order for the awarded service that cites the correct contract number is the only document required for the department to order and the Consultant to deliver the service.
- Any attempt to represent any service not specifically awarded as being under contract with the City of Peoria is a violation of the contract and the City of Peoria Procurement Code. Any such action is subject to the legal and contractual remedies available to the City inclusive of, but not limited to, contract cancellation, suspension and/or debarment of the Consultant.
35. **Billing:** All billing notices to the City shall identify the specific item(s) being billed and the purchase order number. Items are to be identified by the name, model number, and/or serial number most applicable. Any purchase/delivery order issued by the requesting agency shall refer to the contract number resulting from this solicitation.



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36. **Cancellation:** The City reserves the right to cancel the whole or any part of this contract due to failure by the Consultant to carry out any obligation, term or condition of the contract. The City will issue written notice to the Consultant for acting or failing to act as in any of the following:

- a. The Consultant provides material that does not meet the specifications of the contract;
- b. The Consultant fails to adequately perform the services set forth in the specifications of the contract;
- c. The Consultant fails to complete the work required or to furnish the materials required within the time stipulated in the contract;
- d. The Consultant fails to make progress in the performance of the contract and/or gives the City reason to believe that the Consultant will not or cannot perform to the requirements of the contract.

Upon receipt of the written notice of concern, the Consultant shall have ten (10) days to provide a satisfactory response to the City. Failure on the part of the Consultant to adequately address all issues of concern may result in the City resorting to any single or combination of the following remedies:

- a. Cancel any contract;
- b. Reserve all rights or claims to damage for breach of any covenants of the contract;
- c. Perform any test or analysis on materials for compliance with the specifications of the contract. If the results of any test or analysis find a material non-compliant with the specifications, the actual expense of testing shall be borne by the Consultant;
- d. In case of default, the City reserves the right to purchase materials, or to complete the required work in accordance with the City Procurement Code. The City may recover any actual excess costs from the Consultant by:
 - i. Deduction from an unpaid balance;
 - ii. Or any other remedies as provided by law.

37. **Project Travel Reimbursable Expenses:** If travel expenses are allowed as part of the contract the reimbursable expenses will be as follows. All expenses will be billed to the City at cost without markup. Copies of bills for expenses are to be submitted with the invoice. Travel time to and from job site is excluded from this contract. There will be no allowances for parking or personal car mileage. No incidentals for travel of any kind are allowed under this contract.

The following is a list of allowable travel expenses under this contract agreement:

- a. Transportation:
 - i. Air Transportation – coach class fares, minimum 14 days advanced purchase, unless otherwise agreed upon.
 - ii. Car Rental – mid size car, gas for rental car (City assumes no liability regarding additional insurance costs).
- b. Lodging and Meals:
 - i. Meals – three meals per day, at the current federal per diem rate for Maricopa County.
 - ii. Lodging – not to exceed the current federal rate for Maricopa County. Vendors are encouraged to stay in hotels located within the City of Peoria when practical. A listing of accommodations within Peoria can be found on the following website: <http://www.peoriaaz.gov/NewSecondary.aspx?id=51353>

38. **Protest Policy and Procedures:** The City of Peoria protest policy and procedures are available for review at the following public websites as per ARS 34-603.C.2(f).

- a. The City of Peoria Protest Policy and Procedures are available online at <http://www.peoriaaz.gov/content2.aspx?ID=2071>

The policy is contained within the City of Peoria Procurement Code, Chapter 2- Administration, section 2-321.



SPECIAL TERMS AND CONDITIONS

Solicitation Number: **P13-0050**

**Materials Management
Procurement**
9875 N. 85th Avenue
Peoria, Arizona 85345-6560
Phone: (623) 773-7115
Fax: (623) 773-7118

Procurement Code Protests; Informal and Formal.

- b. The specific protest procedures are contained in the Materials Management "Administrative Guidelines" and can be accessed at <http://www.peoriaaz.gov/content2.aspx?ID=2141> under the "Learn more About" box on the right side of the web page.



SCOPE OF WORK

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REQUEST FOR PROPOSALS FOR ECONOMIC DEVELOPMENT ANALYSIS SERVICES

The City of Peoria is soliciting proposals from consulting firms with experience in real estate and/or venture capital development. Proposing firms shall have the ability to review and advise the city on a variety of financial documents and proposals including the redevelopment of city property into a mixed-used development, and to establish the accuracy and cost reasonableness of submitted proposals. Such proposals include but are not limited to development and operating pro formas, tenant LOIs, infrastructure estimates such as for parking garages, roads, off- and on-site improvements (capital costs), as well as development financing structures (infrastructure financing, land acquisition financing, etc).

The City of Peoria is looking to contract with such a firm for consulting services concerning such financial documents on an as-needed basis. The City may award multiple contracts for these services to the most qualified and experienced firm. With this in mind, the Scope of Services has been broken out into two (2) categories. Offerors may propose on one or both categories. If proposing on both, please submit requested information separately, as the proposals will be evaluated separately and awarded separately.

1. PROJECT DESCRIPTION for a Real Estate Consultant

The City of Peoria is engaging in various economic development projects that would require financial analysis so as to determine the accuracy and cost reasonableness of development proposals that are submitted to the City. The selected consultant must have specific experience in real estate development and project evaluation and be able to do the following:

1. Review land development financial spreadsheets and documents to determine accuracy and validity
2. Lend market expertise to develop a legitimate conclusion as to the validity of the project in the current market and whether it is viable as articulated in the project proposal
3. Provide a critical review that includes the ability to troubleshoot and problem solve in the case where the proposed project has less viable components
4. Define the city's return on investment (ROI) based on the consultant's OWN investigation (for example, research on both sales per SF according to the market and recurring revenue based on a hotel)
5. Offer objective and critical analysis of various parts of a project including terms of a construction loan and capital requirements
6. Evaluate job creation of a redevelopment project in terms of construction and full-time jobs as part of a possible EB5 project

1. PROJECT DESCRIPTION for Investment Structure Analysis Consultant

The City of Peoria is engaging in various economic development projects that would require financial analysis so as to determine the accuracy and cost reasonableness of business



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development investment proposals that are submitted to the City. The selected consultant must have specific experience in project evaluation regarding investment financing -and be able to do the following:

1. Review financial spreadsheets and documents to determine market potential and accuracy of inputs
2. Lend market expertise to develop a legitimate conclusion as to the validity of the project in the current market and whether it is viable as articulated in the project proposal
3. Provide a critical review that includes the ability to troubleshoot and problem solve in the case where the proposed project has less viable components
4. Define the city's return on investment (ROI) based on the consultant's OWN investigation (for example, competitive analysis and future potential)
5. Offer objective and critical analysis of various parts of a project including terms of capital requirements
6. Any other additional economic and financial analysis, as well as analysis of project and investment structure associated with a Peoria economic development project, as needed"any other additional economic and financial analysis, as well as analysis of project and investment structure associated with a Peoria economic development project, as needed

2. SUBMITTAL REQUIREMENTS

The City encourages interested parties to submit proposals for development analysis services. The proposal shall also include the following information:

1. Firm experience in the evaluation and repositioning of real estate development projects, listing specific projects that have been reviewed and the findings of the review;
2. Biographies of firm members that will be **directly** involved with City of Peoria projects;
3. Approach to review and analysis;
4. Fee structure for the services described and for any other services that your firm may provide. Please provide samples from other projects.

3. PROPOSAL EVALUATION AND SELECTION PROCESS

In accordance with the City of Peoria Procurement Code, awards shall be made to the responsible offeror whose proposal is determined in writing to be the most advantageous to the City, based upon the evaluation criteria listed below. The evaluation factors are listed in their relative order of importance.

- Project Understanding
- Firm's Experience/Similar Projects



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- Staff's Capabilities and Assignments
- Cost Structure of Various Services
- Conformance to Request to Proposal

4. PROPOSAL DUE DATE

Proposals shall be delivered to:

City of Peoria
Materials Management
9875 N. 85th Avenue, 2nd Floor
Peoria, AZ 85345

The proposal shall be due no later than **5:00 p.m. AZ time on February 21, 2013.**

Proposals shall be submitted in one (1) original and four (4) copies on the forms and in the format as contained in the Request for Proposal. Proposals shall be on 8 ½" x 11" paper with the text on one side only. All submittal information must contain data for only the local office(s) which will be performing the work. The proposals shall not exceed ten (10) pages in length per proposal, but shall include all of the above elements.

Proposals shall be submitted in a sealed envelope with the RFP number and Name of the Services being offered with the offeror's name and address clearly indicated on the front of the envelope.

The designated contact person is Jennifer Miller, Contract Administrator, City of Peoria. All questions regarding the proposal should be sent in writing via email to Jennifer.miller@peoriaaz.gov.

Contact with city staff other than the designated contact person indicated in the RFP, regarding the solicitation, is strictly prohibited during the proposal process.



QUESTIONNAIRE

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Offerors are to indicate below any exceptions they have taken to the Terms, Conditions, or Scope of Work:

- No Exceptions.
- Offeror takes the following Exceptions:

Ernst & Young is a large international accounting and advisory firm. As a result, we have our own assumptions, terms and conditions as part of our engagement letters. Ernst & Young is willing to negotiate these terms and has extensive experience working with public sector clients.



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- City of Peoria Business License:** Vendors will be required to obtain a City of Peoria Business License at the time of contract award.
Peoria City Code requires that all persons conducting business in Peoria must first obtain a license. This includes businesses within the Peoria city limits, or those outside the limits who conduct business or perform services within Peoria. For business license questions or to obtain a license, please contact the **City of Peoria Sales Tax & License Division** at (623) 773-7160 or via email at salestax@peoriaAZ.gov.
- City of Peoria business license attached, if applicable.**
- Firm will obtain a City of Peoria business license at the time of contract award.**



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Has your firm been certified by any jurisdiction in Arizona as a minority or woman owned business enterprise? Yes _____, No X_____.

If yes, please provide details and documentation of the certification.