



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. P11-0083 Page 1 of 1

Description: Financial Review Services

Amendment No. Five (5) Date: 4/28/16

In accordance with the Contract Special Terms and Conditions, **Contract Extension**, the above referenced contract shall expire on 8/31/16. The contract is being extended on a month to month basis not to exceed six months (2/1/17) or until a new contract is in place.

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

Richard Merritt
Signature

5/16/16
Date

Richard Merritt, President
Typed Name and Title

Elliott D. Pollack and
Company
Company Name

7505 E. 6th Avenue, Ste. 100
Address

Scottsdale
City

AZ
State

85251
Zip Code

Attested By:

Rhonda Geriminsky
Rhonda Geriminsky, City Clerk

[Signature]
Director: Scott Whyte, Economic Development Services
Director

Dina Green
Department Rep: Dina Green, Economic Development
Project Manager

CC Number

ACON40911E
Contract Number

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

The above referenced Contract Amendment is hereby Executed

May 31, 2016 at Peoria, Arizona

Dan Zenko
Dan Zenko, Materials Manager

City Seal

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(Rev 07/05/11)

Official File

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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. P11-0083 Page 1 of 1
Description: Financial Review Services
Amendment No. Four (4) Date: 6/18/15

In accordance with the Contract Special Terms and Conditions, **Contract Extension**, the above referenced contract shall expire on 8/31/15. The contract is being extended and the new contract term is **09/01/15 through 08/31/16**. LAST YEAR OF CONTRACT

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

Richard Merritt 6/26/15
Signature Date

Richard Merritt, President
Typed Name and Title

Elliott D. Pollack and
Company
Company Name

7505 E. 6th Avenue, Ste. 100
Address

Scottsdale
City

AZ 85251
State Zip Code

Attested By:

Rhonda Geriminsky
Rhonda Geriminsky, City Clerk

[Signature]

Director: Scott Whyte, Economic Development Services
Director

Dina Green

Department Rep: Dina Green, Economic Development
Project Manager

Stephen M. Kemp

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



CC Number

ACON40911D
Contract Number

The above referenced Contract Amendment is hereby Executed

July 2, 2015 at Peoria, Arizona
[Signature]

Dan Zenko, Materials Manager

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ACON40911D



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. P11-0083 Page 1 of 1
Description: Financial Review Services
Amendment No. Three (3) Date: 6/11/14

In accordance with the Contract Special Terms and Conditions, **Contract Extension**, the above referenced contract shall expire on 8/31/14. The contract is being extended and the new contract term is **09/01/14 through 08/31/15**.

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

Richard Merritt
Signature

7/17/14
Date

Richard Merritt, President
Typed Name and Title

Elliott D. Pollack and
Company
Company Name

7505 E. 6th Avenue, Ste. 100
Address

Scottsdale
City

AZ 85251
State Zip Code

Attested By:

Rhonda Geriminsky
Rhonda Geriminsky, City Clerk

[Signature]
Director: Scott Whyte, Economic Development Services
Director

[Signature]
Department Rep: Jeanine Jerkovic, Economic
Development Manager



CC Number

ACON40911C
Contract Number

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

The above referenced Contract Amendment is hereby Executed

at Peoria, Arizona

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Official File

[Signature]
Dan Zenko, Materials Manager

SCANNED
A C O N 4 0 9 1 1 C



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. P11-0083 Page 1 of 1
Description: Financial Review Services
Amendment No. Two (2) Date: 7/18/13

In accordance with the Contract Special Terms and Conditions, **Contract Extension**, the above referenced contract shall expire on 8/31/13. The contract is being extended and the new contract term is **09/01/13 through 08/31/14**.

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

Signature: Richard Merritt, President Date: 7/22/13 Company Name: Elliott D. Pollack and Company
Address: 7505 E. 6th Avenue, Ste. 100 City: Scottsdale State: AZ Zip Code: 85251

Attested By:

Rhonda Geriminsky, City Clerk

Director: Scott Whyte, Economic Development Services Director

Department Rep: Maria Laughner, Business and Real Estate Development Manager

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



CC Number
ACON40911B
Contract Number

The above referenced Contract Amendment is hereby Executed

August 1, 2013 at Peoria, Arizona

Dan Zenko, Materials Manager

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CONTRACT AMENDMENT

Solicitation No. P11-0083 Page 1 of 1
 Description: Financial Review Services
 Amendment No. One (1) Date: June 27, 2012

Materials Management

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

Buyer: Lisa Houg

In accordance with the Contract Special Terms and Conditions, Contract Extension, the above referenced contract shall expire on 8/31/12.

THE NEW CONTRACT TERM is **09/01/12 through 08/31/13.**

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

<u>Richard Merritt</u> Signature	<u>6/27/2012</u> Date	<u>Richard Merritt, President</u> Typed Name and Title	<u>Elliott D. Pollack and Company</u> Company Name	
<u>7505 E. 6th Avenue, Ste. 100</u> Address	<u>Scottsdale</u> City	<u>AZ</u> State	<u>85251</u> Zip Code	

Attested By:
Rhonda Gieruminsky
~~Wanda Nelson~~, City Clerk
 Acting

Maria Laughner (acting)
 Director: Scott Whyte, Economic Development Services
 Director

Maria Laughner
 Department Rep: Maria Laughner, Business and Real Estate Development Manager

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

The above referenced Contract Amendment is hereby Executed
July 9, 2012, at Peoria, Arizona
Dan Zenko
 Dan Zenko, Materials Management Supervisor



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A CON 40911A



City of Peoria, Arizona

Notice of Request for Proposal

Request for Proposal No: **P11-0083**
 Materials and/or Services: **Financial Review Services**

Proposal Due Date: **July 6, 2011**
 Proposal Time: **5:00 P.M. AZ Time**

Project No: **NA**

Contact: **Lisa Houg, CPPB**

Phone: **(623) 773-7115**

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

In accordance with City of Peoria Procurement Code competitive sealed proposals for the material or 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:

Name: Richard Merritt

Telephone: (480) 423-9200 Email: Merritt@edpco.com

Elliott D. Pollack and Company



Company Name

Authorized Signature for Offer

7505 East 6th Avenue Suite 100

Richard Merritt

Address

Printed Name

Scottsdale, AZ 85251

President

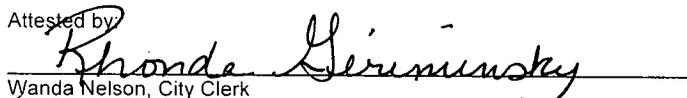
City State Zip Code

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; 3.) This written acceptance and contract award.

As the contractor, you are now legally bound to sell the materials and/or 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 Contractor shall not commence any billable work or provide any material, service or construction under this contract until the Contractor receives an executed Purchase Order or written Notice to Proceed.

Attested by 
 Wanda Nelson, City Clerk

City of Peoria, Arizona. Effective Date: 8-10-11

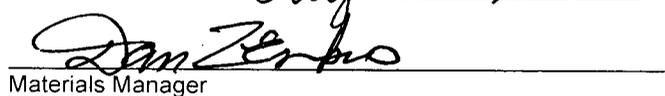
Approved as to form:

 Stephen M. Kemp, City Attorney

CC: _____

Contract Awarded Date August 9, 2011

Contract Number: ACEN 40911


 Materials Manager

Official File: _____





REQUEST FOR PROPOSAL

INSTRUCTIONS TO OFFEROR

Materials Management Procurement

9875 N. 85th Ave., 2nd Fl.
Peoria, Arizona 85345-6560
Phone: (623) 773-7115
Fax: (623) 773-7118

1. **PREPARATION OF PROPOSAL:**
 - a. All proposals shall be on the forms 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 Vendor Offer.
 - 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 Buyer 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 Buyer 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 may 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 vendor 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 Vendor (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 goods or services within thirty (30) calendar days after receipt of goods or 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. **NEW:** All items shall be new, unless otherwise stated in the specifications.
9. **DISCOUNTS:** Payment discount periods will be computed from the date of receipt of material/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 Vendor provided payment is made within the discount period.
10. **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.
11. **VENDOR REGISTRATION:** After the award of a contract, the successful Vendor shall have a completed Vendor Registration Form (COP Form 200) on file with the City of Peoria Materials Management Division.
12. **AWARD OF CONTRACT:**
 - a. Unless the Offeror states otherwise, or unless provided within this *Request For Proposal*, the City reserves the right to award by individual line item, by group of line items, or as a total, whichever is deemed most advantageous to the City.
 - b. 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*.
 - c. 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 Ave., 2nd Fl.
Peoria, Arizona 85345-6560
Phone: (623) 773-7115
Fax: (623) 773-7118

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 Vendor certifies:
 - a. The submission of the offer did not involve collusion or other anti-competitive practices.
 - b. The Vendor shall not discriminate against any employee or applicant for employment in violation of Federal Executive Order 11246.
 - c. The Vendor 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 vendor may be debarred.
2. **GRATUITIES:** The City may, by written notice to the Contractor, 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 Contractor or any agent or representative of the Contractor, 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 Contractor 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.



STANDARD TERMS AND CONDITIONS

Materials Management Procurement

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Peoria, Arizona 85345-6560
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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 Contractor 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 Vendor 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 Contractor, and such written contract shall govern in case of conflict with the applicable requirements stated in the Solicitation or the Vendor'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 Contractor.
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 Contractor is advised that taxes or Social Security payments will not be withheld from any City payments issued hereunder and that the Contractor 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



STANDARD TERMS AND CONDITIONS

Materials Management Procurement

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Peoria, Arizona 85345-6560
Phone: (623) 773-7115
Fax: (623) 773-7118

limited to an affiliated successor or purchaser of Contractor or its assets, without prior written permission of the City. The City, at its 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 contractor 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 contractor shall itemize all sub-contractors which shall be utilized on the project. Any substitution of sub-contractors by the prime contractor shall be approved by the City and any cost savings will be reduced from the prime contractor'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 Contractor referred to herein. The Contractor is responsible for contract performance whether or not Subcontractors are used.
14. **RIGHTS AND REMEDIES:** No provision in this document or in the vendor'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 Contractor 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 Contractor shall defend, indemnify and hold harmless the City, its agents, representatives, officers, directors, officials and employees from and against all claims, damages, losses and expenses (including but not limited to attorney fees, court costs, and the cost of appellate proceedings), relating to, arising out of, or alleged to have resulted from the acts, errors, mistakes, omissions, work or services of the Contractor, its employees, agents, or any tier of subcontractors in the performance of this Contract. Contractor's duty to defend, hold harmless and indemnify the City, its agents, representatives, officers, directors, officials and employees shall arise in connection with any claim, damage, loss or expense that is attributable to bodily injury, sickness, disease, death, or injury to, impairment, or destruction of property including loss of use resulting therefrom, caused by any acts, errors, mistakes, omissions, work or services in the performance of this Contract including any employee of the Contractor or any tier of subcontractor or any other person for whose acts, errors, mistakes, omissions, work or services the Contractor may be legally liable.
- 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 Contractor 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



STANDARD TERMS AND CONDITIONS

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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. Late delivery of equipment or materials caused by congestion at a manufacturer's plant or elsewhere, an oversold condition of the market, inefficiencies, or similar occurrences.
- 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 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 PLANT:** The City may, at reasonable times, inspect the part of the plant or place of business of a Contractor or Subcontractor which is related to the performance of any contract as awarded or to be awarded.
21. **WARRANTIES:** Contractor warrants that all material, service or construction delivered under this contract shall conform to the specifications of this contract. Unless otherwise stated in Contractor's response, the City is responsible for selecting items, their use, and the results obtained from any other items used with the items furnished under this contract. Mere receipt of shipment of the material/service specified and any inspection incidental thereto by the City shall not alter or affect the obligations of the Contractor or the rights of the City under the foregoing warranties. Additional warranty requirements may be set forth in the solicitation.
22. **INSPECTION:** All material and/or services are subject to final inspection and acceptance by the City. Materials and/or services failing to conform to the specifications of this Contract will be held at Contractor's risk and may be returned to the Contractor. If so returned, all costs are the responsibility of the Contractor. 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 material and/or service shall not pass to the City until the City actually receives the material or service at the point of delivery, unless otherwise provided within this Contract.



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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:** Contractor 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. **SHIPMENT UNDER RESERVATION PROHIBITED:** Contractor is not authorized to ship materials under reservation and no tender of a bill of lading will operate as a tender of the materials.
27. **LIENS:** All materials, service or construction shall be free of all liens, and if the City requests, a formal release of all liens shall be delivered to the City.
28. **LICENSES:** Contractor shall maintain in current status all Federal, State and Local licenses and permits required for the operation of the business conducted by the Contractor as applicable to this Contract.
29. **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 Contractor or any other person except with the prior written permission of the City.
30. **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.
31. **COST OF BID/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.
32. **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.
33. **ADVERTISING:** Contractor shall not advertise or publish information concerning this Contract, without prior written consent of the City.
34. **DELIVERY ORDERS:** The City shall issue a Purchase Order for the material and/or services covered by this contract. All such documents shall reference the contract number as indicated on the Offer and Contract Award (COP Form 203).
35. **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.
36. **PAYMENT:** A separate invoice shall be issued for each shipment of material or service performed, and no payment will be issued prior to receipt of material and/or services and correct invoice.
37. **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,



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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.

38. **PROHIBITED POLITICAL CONTRIBUTIONS:** 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 Financial Review 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 contractor.
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 ninety (90) days after the opening time and date.
4. **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.
5. **Contract Type:** Fixed Price
6. **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.
7. **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.
8. **Affirmative Action Report:** 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 or services.
9. **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.
10. **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 15 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.
11. **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.



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- a. Firm Experience.
- b. Staff Capabilities and Assignments.
- c. Project Approach.
- d. Cost Considerations.
- e. Conformance to Request for Proposal.

The City reserves the right to consider historic information and facts, whether gained from the Offeror's proposal, questions and answer conferences, references, or other source and the views of the evaluator(s) with prior Contract or service delivery experience with any of the Offerors, while conducting the proposal evaluations.

12. **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.
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. **Permits and Approvals:** Contractor agrees and undertakes to obtain necessary permits and approvals from all local, state and federal authorities for the project.
15. **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.
16. **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.
17. **Payments:** The City shall pay the Contractor 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.
18. **Insurance Requirements:** The Contractor, at Contractor'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 Contractor'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 Contractor'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 Contractor shall be solely responsible for the deductible and/or self-insured retention



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and the City, at its option, may require the Contractor 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 Contractor of any deficiencies in such policies and endorsements, and such receipt shall not relieve Contractor from, or be deemed a waiver of the City's right to insist on, strict fulfillment of Contractor'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.

19. Required Insurance Coverage:

a. Commercial General Liability

Contractor 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 Contractor's operations and products and completed operations.

Any Contractor subcontracting any part of the work, services or operations awarded to the Contractor shall purchase and maintain, at all times during prosecution of the work, services or operations under this Contract, an Owner's and Contractor's Protective Liability insurance policy for bodily injury and property damage, including death, which may arise in the prosecution of the Contractor'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 Contractor's Commercial General Liability insurance.

b. Automobile Liability

Contractor 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 Contractor's any owned, hired, and non-owned vehicles assigned to or used in performance of the Contractor'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. If hazardous substances, materials or wastes are to be transported, MCS 90 endorsement shall be included and \$5,000,000 per accident limits for bodily injury and property damage shall apply.

c. Workers' Compensation

The Contractor shall carry Workers' Compensation insurance to cover obligations imposed by federal and state statutes having jurisdiction of Contractor'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.



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

d. Professional Liability

The Contractor 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 Contractor, or any person employed by the Contractor, with a limit of not less than \$1,000,000 each claim.

20. **Certificates of Insurance:** Prior to commencing work or services under this Contract, Contractor shall furnish the City with Certificates of Insurance, and formal endorsements as required by the Contract, issued by Contractor'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 Contractor's work or services and as evidenced by annual Certificates of Insurance.

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.

21. **Cancellation and Expiration Notice:** Insurance required herein shall not expire, be canceled, or materially changed without thirty (30) days prior written notice to the City.

22. **Independent Contractor:**

a. General

- i. The Contractor acknowledges that all services provided under this Agreement are being provided by him as an independent contractor, 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 Contractor 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 Contractor outside the scope of authority granted under this Agreement or as the result of Contractor's acts, errors, misconduct, negligence, omissions and intentional acts.
- ii. To the fullest extent permitted by law, the Contractor shall defend, indemnify and hold harmless the City, its agents, representatives, officers, directors, officials and employees from and against all claims, damages, losses and expenses (including but not limited to attorney fees, court costs, and the cost of appellate proceedings), relating to, arising out of, or alleged to have resulted from the acts, errors, mistakes, omissions, work or services of the Contractor, its employees, agents, or any tier of subcontractors in the performance of this Contract. Contractor's duty to defend, hold harmless and indemnify the City, its agents, representatives, officers, directors, officials and employees shall arise in connection with any claim, damage, loss or expense that is attributable to bodily injury, sickness, disease, death, or injury to, impairment, or destruction of property including loss of use resulting therefrom, caused by any acts, errors, mistakes, omissions, work or services in the performance of this Contract including any employee of the Contractor or any tier of subcontractor or any other person for whose acts, errors, mistakes, omissions, work or services the Contractor may be legally liable.



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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 Contractor is an independent contractor, therefore, the City Manager will not provide the Contractor with health insurance, life insurance, workmen's compensation, sick leave, vacation leave, or any other fringe benefits. Further, Contractor 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 Contractor.

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

- a. The Contractor 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 Contractor 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.

24. **Estimated Quantities:** The City anticipates considerable activity resulting from contracts that will be awarded as a result of this solicitation; however, no commitment of any kind is made concerning quantities actually acquired and that fact should be taken into consideration by each potential contractor.

25. **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.
- 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.

26. **Confidentiality of Records:** The contractor 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. Contractor also agrees that any information pertaining to individual persons shall not be divulged other than to employees or officers of contractor as needed for the performance of duties under the contract.

27. **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



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defined within that program. At a minimum, the contractor will have the following Identity Theft procedures in place:

- a. Solicit and retain only the "personal identifying information" minimally necessary for business purposes related to performance of the Contract.
- b. 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.
- c. Ensure complete and secure destruction of any and all paper documents and computer files at the end of the contract's retention requirements.
- d. Ensure that office computers are password protected and that computer screens lock after a set period of time.
- e. Ensure that offices and workspaces containing customer information are secure.
- f. Ensure that computer virus protection is up to date.

28. **Ordering Process:** Upon award of a contract by the City of Peoria, Materials Management Division may procure the specific material and/or service awarded by the issuance of a purchase order to the appropriate contractor. 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 material and/or service that cites the correct contract number is the only document required for the department to order and the contractor to deliver the material and/or service.

Any attempt to represent any material and/or 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 contractor.

29. **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.
30. **Licenses:** Contractor shall maintain in current status all Federal, State and Local licenses and permits required for the operation of the business conducted by the Contractor.
31. **Cancellation:** The City reserves the right to cancel the whole or any part of this contract due to failure by the contractor to carry out any obligation, term or condition of the contract. The City will issue written notice to the contractor for acting or failing to act as in any of the following:
- a. The contractor provides material that does not meet the specifications of the contract;
 - b. The contractor fails to adequately perform the services set forth in the specifications of the contract;
 - c. The contractor fails to complete the work required or to furnish the materials required within the time stipulated in the contract;
 - d. The contractor fails to make progress in the performance of the contract and/or gives the City reason to believe that the contractor will not or cannot perform to the requirements of the contract.

Upon receipt of the written notice of concern, the contractor shall have ten (10) days to provide a satisfactory response to the City. Failure on the part of the contractor 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;



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- 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 contractor;
 - 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 contractor by:
 - i. Deduction from an unpaid balance;
 - ii. Any combination of the above or any other remedies as provided by law.
32. **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://visitpeoriaaz.com/accommodations.php>



SCOPE OF WORK

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FINANCIAL REVIEW SERVICES

The City of Peoria is soliciting proposals from financial consulting firms with the experience and ability to review and advise the city on a variety of economic development projects by reviewing financial documents to establish the accuracy of the proposals submitted by a developer and cost reasonableness of submitted proposals as well as providing economic impact analysis and fiscal impact analysis in order to determine return on investment. Such proposals include but are not limited to development and operating pro formas, infrastructure estimates such as for parking garages, roads, off site and on site improvements (capital costs), and development financing structures (infrastructure financing, land acquisition financing, etc).

The City of Peoria is looking to contract with such a firm in order to consult with them on such financial documents on an as-needed basis.

1. PROJECT DESCRIPTION

The City of Peoria is engaging in various economic development projects that would require financial analysis, economic impact analysis, and fiscal impact analysis so as to determine the accuracy and cost reasonableness of development proposals that are submitted to the City and project the project's return on investment. Target projects include, but are not limited to, retail and entertainment expansions, parking garages, pedestrian connectivity and infrastructure improvements, university and healthcare campus developments, redevelopment and revitalization projects, and signage and way finding.

2. SUBMITTAL REQUIREMENTS

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

1. Firm experience in financial review for economic 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 for the service (and structure of the fee)

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 twenty-five (25) pages in length, but shall include all of the above elements.



SCOPE OF WORK

Solicitation Number: **P11-0083**

Materials Management

Procurement

9875 N. 85th Ave., 2nd Fl.
Peoria, Arizona 85345-6560
Phone: (623) 773-7115
Fax: (623) 773-7118

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.

- Firm Experience
- Staff Capabilities and Assignments
- Project Approach
- Cost Considerations
- Conformance to Request for Proposal

The City will shortlist 3-5 firms based on the criteria in this section. The City will interview the shortlisted firms. **The interviews for the project will be scheduled on August 2, 2011.**

4. PROPOSAL DUE DATE

Proposals shall be submitted in **one (1) original and four (4) copies** and 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 July 6, 2011**

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

The designated contact person is Lisa Houg, Contract Officer, City of Peoria. All questions regarding the proposal should be sent in writing via email to Lisa.Houg@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

Solicitation Number: **P11-0083**

**Materials Management
Procurement**
9875 N. 85th Ave., 2nd Fl.
Peoria, Arizona 85345-6560
Phone: (623) 773-7115
Fax: (623) 773-7118

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.



Economic and Real Estate Consulting

July 6, 2011

Ms. Lisa Houg, CPPB
Materials Management
City of Peoria
9875 N. 85th Avenue, 2nd Floor
Peoria, Arizona 85345

Re: Proposal for RFP P11-0083 Financial Review Services

Dear Ms Houg:

Elliott D. Pollack & Company is pleased to submit this Proposal for Financial Review Services to the City of Peoria. We have assembled a highly experienced and technically competent consulting team that is prepared to offer unique and innovative approaches to the tasks that will be required. For this Proposal, we have teamed with Silver Fern Management, a construction management firm that will assist us with certain aspects of financial analysis.

We have a history of working with the City of Peoria as well as other public and private organizations on similar financial analyses. Our experience in economic and fiscal impact analysis as well as financial analysis of real estate and other projects makes us uniquely capable of supporting the City's economic development efforts.

Elliott D. Pollack & Company team members have served in various capacities in local and State government and have insight into a wide range of fiscal and economic impact issues. Company officers also manage various real estate investment funds and partnerships and, therefore, have insight into "real world" underwriting of projects. We have worked with a number of cities and school districts on "as-needed" contracts and are committed to responsive service to the City.

If you should have any questions or need clarification of our qualifications, please do not hesitate to contact me. We appreciate the opportunity to submit this Proposal to you and look forward to hearing from you.

Sincerely,

Richard C. Merritt
President

Elliott D. Pollack & Company

7505 East 6th Avenue, Suite 100 Scottsdale, Arizona 85251 ■ PH 480.423.9200 ■ FAX 480.423.5942 ■
Pollack@edpco.com ■ www.arizonaeconomy.com

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**Financial Review Services
City of Peoria**

Abstract of Firms

Submitting Firm: Elliott D. Pollack & Company
7505 E. Sixth Avenue
Scottsdale, AZ 85251

Contact Persons: Rick Merritt
merritt@edpco.com

Jim Rounds
rounds@edpco.com

Telephone: (480) 423-9200
Fax: (480) 423-5942

Federal Tax ID No.: 86-0669299

Type of Organization: Corporation

Abstract of Firm: The firm offers a broad range of economic and real estate consulting services. The firm's services can generally be classified into the following areas:

- Economic and Fiscal Impact Analysis/Modeling
- Real Estate Market and Feasibility Studies
- Litigation Support
- Revenue and Economic Forecasting
- Keynote Speaking
- Public Finance and Policy Development
- Land Use Economics
- Economic Development
- Demographic Analyses

Sub-Contracting Firm: Silver Fern Management
1960 E. Baseline Road #101
Tempe, AZ 85283



Financial Review Services City of Peoria

1.0 Qualifications of Project Team

Elliott D. Pollack & Company (EDPCo), in association with Silver Fern Management, is pleased to submit this Proposal to the City of Peoria for Financial Review Services. Our Project Team offers a combination of skills and broad experience that uniquely qualifies us to provide these services to the City. This engagement will be supported by the most comprehensive economic and real estate database found in Arizona as well as a respected construction management firm that has achieved success, even in recent times.

Elliott D. Pollack & Company will serve as the prime contractor for this assignment and will sub-contract with Silver Fern Management for certain aspects of the City's economic development projects related to review of infrastructure cost estimates.

1.1 Description of Project Team

Elliott D. Pollack & Company Qualifications

Elliott D. Pollack & Company is headed by one of Arizona's most noted economists. The firm offers a broad range of economic and real estate consulting services backed by the most comprehensive database found in Arizona. The firm's services can generally be classified into the following areas:

- **Real Estate Consulting:** Marketability and supply/demand studies, financial feasibility analysis, real estate forecasting Land use/land economic studies and property evaluations.
- **Economic Consulting:** Economic forecasting, demographic analyses and econometric modeling.
- **Economic Development:** Analysis and development of economic development programs at the local and state level, workforce studies and targeted industry studies.
- **Economic and Fiscal Impact Analyses/Modeling:** Forecasting and evaluating the potential impact of a particular activity from the standpoint of job creation and revenue to governmental entities.
- **Tax and Fiscal Policy Consulting:** Forecasting of tax revenues, policy related demographic analyses, bond revenue forecasting, State and local government program evaluation, and other diverse tax and fee evaluations.
- **Litigation Support:** Statistical analysis and expert witness testimony to both plaintiff and defense attorneys in all areas related to economics, finance, and real estate.



- **Key Note Speaking:** Presentations on the local, state and national economies and real estate markets to organizations throughout the Southwest region of the U.S.

Elliott D. Pollack & Company's staff is comprised of professionals with a blend of backgrounds that support a number of technical disciplines. The wide variety of studies and investigations undertaken by the Company demonstrate the creativity and expertise of its staff. Since 1990, the firm has been retained by both public and private entities to provide services in the areas of economics and real estate. Clients range from municipalities such as the cities of Mesa, Phoenix, and Scottsdale to utility companies such as Salt River Project and APS, to real estate developers such as Del Webb and Mark-Taylor, to Indian tribes such as the Salt River Pima – Maricopa Indian Community and Gila River Indian Community. **In addition, the firm has provided economic forecasting services for Maricopa County over the past ten years.** Elliott Pollack is a member of the Joint Legislative Budget Committee's Finance Advisory Committee, is a member of the Economic Estimates Commission, and is intimately involved in State policy and economic development matters.

Silver Fern Qualifications

Silver Fern Management, LLC (Silver Fern) is a construction management, land development, and real estate consulting firm that has built its reputation on innovative, proactive approaches to the changing real estate market. The Company's role as it relates to the City of Peoria Financial Review Services project is to review infrastructure cost estimates submitted by developers and establish the reasonableness of those estimates.

Silver Fern has a long history of developing accurate infrastructure construction budgets for private and institutional clients. The Company not only has a strong foundation in land development, it also has a long, successful history of managing infrastructure improvement projects from initial conception to completion. Silver Fern's experience in creating and analyzing development pro formas has proven successful for its clients, even in today's market. The rules have changed for land development — the process is no longer linear – and that requires the knowledge and experience only Silver Fern can provide.

The Company has made a reputation in the construction management field by understanding both the public and developer side of a project and successfully analyzing the impact of construction cost on the overall schedule and budget. For instance, environmental and storm water prevention regulations have changed in recent years, affecting timelines in the permitting and approval process of projects. Retaining a consultant that understands all of the intricacies of a development project beyond just the cost, will benefit the City in the long run.



1.2 Key Personnel

Key Personnel of Elliott D. Pollack & Company

Richard Merritt, President
Jim Rounds, Senior V.P./Senior Economist
Jill Welch, COO/Senior Economist
Daniel Court, Senior Economic Analyst
Felicia Kessler, Economic Analyst

Key Personnel of Silver Fern Management

John Fortini, President
Mari Flynn, Vice President of Land Development
Stephen Ochoa, Director of Construction

1.3 Organization of Project Team

All assignments related to the detailed tasks will be subject to the organizational structure outlined below. The project manager is identified along with the responsibilities of other team members. While each individual will formally be assigned specific tasks, this project team will utilize a team-effort approach to complete this assignment.

- **Principal-In-Charge:** Richard Merritt will serve as Principal-In-Charge for all assignments related to this engagement. He will be directly responsible for the quality of the work product and oversight of the study.
- **Project Manager:** Jim Rounds will serve as a project manager, responsible for interaction with the contact person at the City, coordination of project team members and individual assignments, and completion of each engagement on a timely basis.
- **Additional support personnel:** Staff members of Elliott D. Pollack & Company who will be assigned to various tasks related to the study under this solicitation include:
 - Jill Welch, Chief Operating Officer – Senior Economist
 - Daniel Court, Research Economist
 - Felicia Kessler, Research Economist
- **Sub-Contractor:** Elliott D. Pollack & Company will sub-contract with Silver Fern Management for certain assignments related to the review of infrastructure estimates for such capital improvements as parking structures, streets and on-site and off-site improvements. Personnel that will be assigned to this project include:
 - John Fortini, President/ Project Manager



- Mari Flynn, Vice President of Land Development/ Land Development Manager
- Stephen Ochoa, Director of Construction/ Land Development Manager

1.4 Availability of Personnel

As locally-based firms, EDPCo and Silver Fern can provide unlimited staff access to the City of Peoria for the services outlined in this Proposal. Face-to-face meetings are always preferable to conference calls and the staff of the each of the companies will be available with reasonable notice. Telephone questions or comments would be returned the same day by upper management.

By way of example, Elliott D. Pollack & Company has provided similar on-call economic forecasting services to the Maricopa County Office of Management and Budget for the past ten years. The firm also provides on-call services for the City of Phoenix Water Services Department, the Arizona Commerce Authority and the Deer Valley School District. Services are provided periodically to the above entities and will not interfere with any services provided to the City of Peoria. The firm prides itself in maintaining these long term relationships with local government clients.

2.0 Approach to Financial Review Services

Elliott D. Pollack & Company and its Project Team will provide the resources necessary to conduct reviews of economic development projects proposed by developers to the City of Peoria. This review will include analysis of financial documents and pro formas related to projects, review of infrastructure cost estimates, and, when requested, to conduct fiscal and economic impact analyses. The Company has access to some of the most sophisticated databases available in the Southwest and will put those resources to full use for the study. The Company also maintains proprietary economic impact models that may be used in our analysis.

Underlying the project team's approach are the following tenets:

- **Build on Prior Work.** In order to maintain a reasonable cost for the study, the project team will use existing studies and research wherever possible. Any information available from the City of Peoria will be used in the study and verified for accuracy.
- **Present Findings in a Clear and Concise Format.** The project team will prepare a comprehensive review of developer proposals that fully captures the results of our research, findings and conclusions. The final report will be formatted to include graphics and easily understood summaries of key study findings and recommendations.



- **Team Approach.** We will use a team approach in addressing economic development projects that includes City staff and our sub-consultant Silver Fern Management. In essence, we view ourselves as an extension of City staff, but with unique expertise that permits us to conduct specialized analyses.

Following is our approach to the financial review of economic development projects.

Task 1: Define Project

The EDPCo Project Team will meet with City staff to understand the foundations and purpose of the project. EDPCo will review the proposed assignment and prepare a scope of work and fee schedule for the study. The need for meetings and presentations to City staff or City boards will be noted and included. A cost proposal for the study will be transmitted to the City for review by staff. The cost proposal shall be fixed fee based on professional hourly fees outlined in this proposal. The fee will not include any travel expenses or incidentals.

Task 2: Financial Review

An important underpinning of this proposal is the need for a working knowledge of the local economy and real estate market. Analysis of economic development projects requires an extensive effort to document trends and consider all potential factors that may affect the outcome of the project for the City. The Greater Phoenix economy and real estate market will not likely return to “normal” until 2014 or 2015. Until that time, the City needs to be cautious in undertaking projects that may not be feasible in the current environment. Our Project Team continually monitors both the local economy and real estate market for signs of strength and weakness. We will put this knowledge to work for the City.

Our Project Team will review all documentation prepared for the City on economic development projects. The objective of our analysis is to determine the accuracy of the proposal and the reasonableness of costs. Specific tasks to be undertaken related to financial analysis are as follows.

Development and Operating Pro Formas

EDPCo has extensive experience in developing, reviewing and analyzing pro formas for various real estate projects. Our approach will involve analysis of the major factors that affect the reasonableness of the developer’s proposal and return on investment. Some of the major considerations when reviewing pro formas are the following.

- The timing of development: Return on investment is affected by the timing of cash flows. The sooner revenue and sales are generated, the higher the rate of return on investment. However, inevitably projects experience unforeseen delays, slower demand or declining economic conditions. Reasonable expectations of revenue/sales timing must be a key consideration.



- **Incentives:** Some projects may require incentives from the City. Such incentives need to conform to state law and recent case law. In addition, the City needs to determine if it is giving away more than it is getting in benefits. Overall, the principals of EDPCo typically endorse redevelopment projects that are cost neutral. We will work with City staff to understand the City's incentive policies.
- **Sensitivity Analysis:** Pro formas often represent an optimistic outlook at a project's development and operation. We would suggest alternative scenarios be developed to determine the sensitivity of revenue/sales to changes in the economy, marketplace or consumer demand. Downside risk should be determined and a conservative approach to spending City funds on incentives or investment by the City should be considered.
- **Risk:** Real estate is a risky investment for a City. While we do not have knowledge of the City's full scope of proposed projects, there are numerous examples of failed or sub-performing projects that have been incentivized or partly funded by the public sector. Risk must be minimized for a City, particularly given the state of city budgets today. Our sensitivity analysis will assist in determining the risks of a project and the manner in which risk can be minimized.
- **Evaluation of Market Trends:** Understanding trends in the real estate market and local economy are important to the success of a project. A project initiated at the top of the market may result in sub-par performance. A project initiated in a growing, up-trending market may show more success. Our understanding of market and economic trends will play an important role in evaluating development proposals and provide the City a measure of confidence (or lack of it) in pending development proposals.
- **Accuracy:** Determining the accuracy of development proposals is an inexact science. While the cost of construction can typically be predetermined within certain parameters, the demand for a product or service, which generates the project's revenue or sales, is subject to many variables. Market analysis assists in providing knowledge about demand, but until a project is built, the true outcome is not known. For this reason, risk to the City must be minimized as outlined above, using sensitivity analysis and other methods.

The above issues represent our list of potential considerations that will guide our analysis of development and operating pro formas. We will work with City staff to understand the City's approach to economic development investment and risk tolerance and, from there, adjust our analytical processes.

Development Financing Structures

The EDPCo Project Team has broad experience in infrastructure and land acquisition financing as well as public financing tools. If requested, the Project Team will review development financing structures related to the economic development project and its feasibility.



Financing of redevelopment activities or new projects is logically at the top of the list of importance. A city needs a “tool box” of financing mechanisms to carry out an economic development program. Arizona has some limitations since it does not explicitly have tax increment financing (TIF). However, other financing mechanisms are available including improvement districts (including business improvement districts (BID)), community facilities districts (CFD) and redevelopment districts. Revenue and general obligation bonds are also available for infrastructure improvements. Some of the additional financing sources that may be considered in economic development projects include the following:

- Municipal Property Corporation: A popular source of funding for land acquisition and other purposes in Arizona is a Municipal Property Corporation or MPC which can issue bonds. An MPC requires a dedicated source of funding, such as sales taxes, in order to obtain the necessary bond ratings.
- Enterprise Funds: Enterprise funds for city services such as water and wastewater typically issue bonds for capital improvements. Economic development projects may be able to benefit from these funding sources if the projects are identified in a city’s capital improvement plan.
- Development Fees: These fees are a common source of funding of new facilities, but their use may be restricted to benefiting newly-developing areas.
- Highway User Revenue Fund (HURF): HURF funds are collected by the State and distributed to cities and towns. They are a primary source of funding of street improvements.
- Developer Contributions: Developers are often required to contribute to infrastructure improvements, especially in newly-developing areas. In redevelopment programs, however, cities typically absorb many of these costs as part of the process of promoting revitalization efforts.
- Developer Financing: Developers will typically have sources of financing, whether debt-related or equity-based. Debt financing is risky in a declining real estate market leading to defaults on loans and foreclosure actions. The structure of debt financing must be conservative, with coverage to assure that the project will not succumb to outside economic conditions. The City’s exposure to debt financing must be reviewed relative to risk and reward. The higher the level of equity required of a developer, the more stable a project will be, including the ability to withstand market downturns.

The above financing mechanisms and considerations are by no means all encompassing. The EDPCo Project Team will review and consider all financing



structures of economic development projects and provide recommendations on their reasonableness and feasibility.

Task 3: Infrastructure Estimates

The Project Team's sub-consultant, Silver Fern Management will specifically review infrastructure estimates for improvements such as parking garages, streets and roads and other off-site and on-site improvements. Following is the approach for cost estimating.

- Our initial approach starts with determining the overall context of the project, its proposed financing, incentives (if applicable) and other funding sources along with development plans for the project. We will conduct a comprehensive site visit (if required to complete the analysis) focusing on the visual condition of subject property and adjacent natural and improvement impacts.
- Once the site inspection and document review is completed, review of the developer's infrastructure cost estimates will begin. The analysis may include the review of both civil and landscape designs. This ensures that Silver Fern is able to provide a comprehensive review of the cost estimates based on competitive pricing.
- In addition to simply reviewing the developer's proposed pro forma, Silver Fern can also create a construction budget that includes all hard and soft costs to use as a baseline in an overall comparative model. This process informs the City of all costs associated with a project rather than just verifying the accuracy of the costs included in a development proposal created by others.
- Upon completion, we will provide a summary of findings and recommendations based on the above analysis. This summary will include a list of critical items not included in the developer's estimate. A common theme voiced by Silver Fern's regular clients is that we are so detailed-oriented, and our construction budgets are so all-inclusive, that budgets prepared by others either miss items or do not anticipate the full cost of construction. This thoroughness will provide certainty to the City of Peoria that they are receiving accurate and accountable construction estimates from the developer while minimizing financial risk.

Task 4: Economic and Fiscal Impact Analysis

Redevelopment activities should be supported by both market analysis as well as economic impact analysis. Too often, redevelopment projects are conceived without notice of the possible unintended consequences. We have seen jurisdictions provide incentives to a commercial retail project, only to have reduced retail sales and deterioration of retail activity occur in another part of the community. By and large, demand for certain retail products is fixed (or growing slowly) and introduction of new



products can only result in reductions elsewhere. Market analysis and economic impact analysis can address some of these conditions and forecast the expected impact of a redevelopment program. In the approval of new redevelopment initiatives, these secondary and unintended outcomes can be addressed.

The EDPCo Project Team will prepare economic and fiscal impact analysis for selected economic development projects as requested by the City. The Team will also review such studies if they are prepared by the developer or his/her consulting firm.

The analysis will be comprised of two primary tasks, outlined as follows.

- **Economic Impact:** Economic impact analysis examines the regional implications of an activity in terms of three basic measures: output, earnings, and employment. The different types of economic impacts are known as direct, indirect, and induced, according to the manner in which the impacts are generated. For instance, direct employment consists of permanent jobs held by the project employees. Indirect employment is those jobs created by businesses that provide goods and services essential to the operation or construction of the project. These businesses range from manufacturers (who make goods) to wholesalers (who deliver goods) to janitorial firms (who clean the buildings). Finally, the spending of the wages and salaries of the direct and indirect employees on items such as food, housing, transportation and medical services creates induced employment in all sectors of the economy, throughout the county. These secondary effects are captured in the analysis conducted in this type of study and will provide Peoria with an estimate of total employment and wage impact. Likely some of this impact will leak outside the City boundaries since not all employees of a new project will live in Peoria. However, offsetting this leakage could be an increase in spending in the City created by the new development. This factor is addressed in fiscal impact analysis.
- **Fiscal Impact:** Fiscal impact analysis evaluates the public revenues created by a particular activity. The major sources of revenue generation for governmental entities are related to construction of the project and ongoing impact from the commercial activities and resident spending. Fiscal impacts are categorized by type, similar to the economic impact analysis. The direct, indirect, and induced sources of tax revenues for the City of Peoria will be analyzed. The sources of revenues evaluated usually include, but are not limited to, sales tax, bed tax, construction tax, use tax, speculative builder's tax, property tax, lease tax and state shared revenues.

Upon completion, we will provide a summary of findings and conclusions regarding the economic and fiscal impact of the project. Elliott D. Pollack & Company has proprietary economic and fiscal impact models that will be used for this part of the analysis. The model will be adjusted for City of Peoria tax and revenue structure.



3.0 Project Experience

The Elliott D. Pollack & Company Project Team has undertaken a wide variety of financial services assignments that are similar to the services requested by the City of Peoria. The engagements described below provide a cross-section of the services provided by the team that include financial analyses, economic and fiscal impact studies, economic development analyses and cost estimating of infrastructure.

3.1 Studies by Elliott D. Pollack & Company

Financial Analysis

- **Return on Investment and Economic Impact Analysis of CityScape – City of Phoenix**

Elliott D. Pollack & Company was retained by the City of Phoenix to review market research, investment analysis and economic impact analysis prepared by consultants retained by Red Development for CityScape, the City's largest downtown development in its history. Our analysis focused on the preparing an economic and fiscal impact summary of the project and a return on investment (ROI) analysis that was used by the City in the negotiations on the shared cost of parking garages. **Findings: We noted significant risk in the project and the extensive incentives requested by the developer. We suggested that fewer incentives be provided and, with that, the economic and fiscal benefits to the City offset the City's costs.**

- **Analysis of Appropriate Interest Rate for Retail Center Bankruptcy Case in Gilbert, AZ – FDIC**

Elliott D. Pollack & Company was retained by the FDIC to analyze the bankruptcy of a retail center in Gilbert that had defaulted on a bank loan. The analysis involved extensive analysis of the asset and its leasing structure as well as forecasting future cash flows based on current market conditions. The appropriate interest rate analysis is important for establishing the potential rate of a loan if the property survives bankruptcy. The balance of the loan at the current time was well in excess of the property's value. As part of this analysis, EDPCo surveyed lenders for loan rates for similar properties, including loan-to-value and debt service ratios. **Findings: We concluded that the property would not qualify for any loan given the property's current rent structure, declining retail market rents, and the extended period of time required to stabilize the property.**

- **Analysis of Master Lease B-709, Salt River Pima-Maricopa Indian Community - Salt River Devco**

The purpose of this report was to analyze the land lease obligations due to SRPMIC landowners from Salt River Devco, the lessee under Master Lease B-



709, and compare those obligations to the forecasted revenues and cash flow from Chaparral Business Center (CBC). Tasks that were undertaken for the analysis included review of Master Lease B-709 and all aspects of the project; forecasting the revenue to be generated from existing office buildings based on current market conditions; analysis of revenue and cash flow forecasts required to service the land lease; preparation of a forecast of new development projects needed to service the lease, if cash flows are not sufficient; and summarizing the conclusions of the analysis and methodology used for the study in a final report. **Findings: We concluded that the cash flows from existing buildings was not sufficient to continue to pay land rents on vacant, undeveloped land and that the lease agreement should be renegotiated.**

- **Pinal County Bond Analysis – Development of Housing and Transportation Development Fee Forecast to Support Transportation Revenue Bond – Pinal County Finance Department**

The purpose of this study was to provide a housing absorption analysis for a portion of Pinal County that will be affected by a future transportation impact fee. Based on several possible fee scenarios, the report provided projections of expected revenue that was used to analyze the feasibility of a proposed bond issuance. Bond revenues will be used for roadway improvements within a specific corridor of Pinal County as designated by Pinal County officials. **Findings: The County issued a bond for roadway improvements.**

- **La Paz County Sales Tax Forecast FY 2012 – 2041 - La Paz County, Arizona**

Elliott D. Pollack & Company was retained to forecast an applicable excise tax base on which La Paz County, Arizona would apply a new and dedicated sales tax rate to generate supplemental monies to repay a bond. The County lost a sizable lawsuit and was considering issuance of a bond to repay the award. The analysis includes a review of the La Paz County economy, relevant historical performances for various economic metrics and interviews with reputable economists, La Paz County officials, and the Arizona Department of Revenue. **Findings: The County's proposed bond sale is currently being reviewed by bond rating agencies and will likely be issued in the near future.**

- **Northeast Area Development Plan for Phoenix-Mesa Gateway Airport - 2010**

EDPCO is currently retained as part of a project team led by Jacobs Engineering to prepare a plan for the northeast portion of the Airport that will be the site of a future passenger terminal. The analysis includes an assessment of the extent that the area surrounding the Airport can participate in the growth of Greater Phoenix. EDPCO is assessing the marketplace, the historical and projected trends for real estate growth, and the mix of industry sectors that ideally work in this specific airport-based urban core. The analysis also includes a financial analysis of the potential leasing of land on the airport to office, retail and hotel developers to provide additional income to the airport. **Findings: We concluded that while leasing the land to private entities was beneficial, it did not**



provide significant income to the airport. The airport should consider some manner of participating in the projects to increase the income potential.

- **Market and Financial Analysis of Proposed ecoDistrict – Arizona State University**

The first purpose of this study was to provide a market analysis of the proposed ecoDistrict Master Plan generally located along Tempe Town Lake on property owned by ASU. A potential anchor for the project may be a major training center along with a national sports museum, hotel and conference center, and related retail uses. The project may also function as a tax increment district to be used for ASU capital projects.

Our analysis evaluated a number of aspects of the project including the following:

- The mix of land uses relative to potential demand and absorption of the various components of the project.
- The reasonableness of construction, rent, property tax, land values, land leases and sales assumptions.
- Analysis of building rents that will be required to justify the assumed land and construction costs of the project.
- Viability of the proposed commercial district as an anchor for the ecoDistrict.
- Feasibility of the training center and other amateur athletic sports as an anchor for the project.

Findings: This project is still underway and the findings and conclusions of the study have not been completed.

Market and Economic Development Analysis

- **Real Estate Market Analysis for Public Use and Commercial Development Master Plan – Ak Chin Indian Community**

Our firm conducted the Market Analysis for a Public Use and Commercial Area Development Master Plan for the Ak Chin Indian Community near Maricopa, Arizona. This study provided a trade area analysis, relevant projections of employment and population, and an opinion on the demand for retail, office, light industrial, and hospitality.

- **Retail Market Analysis for South Arizona Avenue Corridor - City of Chandler, Arizona**

The purpose of this report was to provide a real estate market analysis of Downtown Chandler and the South Arizona Avenue Corridor that provides a foundation for the strategic redevelopment of the area. The report was prepared in conjunction with an urban design study of the Corridor conducted by RNL Design. The Market Analysis included an overview of the characteristics of the



current retail market, its strengths and challenges, the demographic characteristics of the population within the surrounding trade area and recommendations on the development of retail and other uses along the Corridor. In addition, the impact of major retail development occurring at the intersection of Arizona Avenue and the Loop 202 Freeway was analyzed as well.

- **Copper Square Office Market Competitive Analysis - Downtown Phoenix Partnership**

The Copper Square Office Market Competitive Analysis was commissioned by the Downtown Phoenix Partnership (DPP) to assist in understanding the assets and shortcomings of Copper Square (Downtown Phoenix) for office development and to develop strategies to strengthen its market position. This study forecasted demand for office uses over the short (1 to 3 years) and long term (5 to 10 years) and took into account the potential impact of major improvements in the area such as the ASU Campus, TGEN and the Civic Plaza expansion.

- **Jobs Recovery Study – State of Arizona**

Elliott D. Pollack & Company was retained to develop a statewide economic development strategy as it pertained to improving the job creation outlook for Arizona. A best practices review of all 50 states was completed and a select set of the most relevant and efficient economic development programs was recommended for policymaker consideration during the 2010 legislative session. The analysis focused on Arizona's competitiveness as it pertains to economic development programs and tax code. The core recommendations are being used by gubernatorial candidates in 2010 and will also form the basis for the work that will be completed by policymakers during the 2011 legislative session.

- **City of Eloy Economic Development and Marketing Plan – City of Eloy**

This report provided guidance to the City of Eloy regarding maximizing its economic development potential over the next decade. The analysis complemented the Economic Development Element in their forthcoming General Plan. To accomplish this task, a number of documents were reviewed related to general economic trends, economic development best practices, as well as the utilization of interviews with experts in the field. The report provides both general economic development strategies as well as specific recommendations to immediately consider.

Economic & Fiscal Impact Analysis

- **Economic and Fiscal Impact of the Arizona Diamondbacks 1996-2009**

Elliott D. Pollack & Company was retained to perform an economic and fiscal impact study of the Arizona Diamondbacks since inception in 1998 including construction of Chase Field (1996 – 1998), annual spring training in the Cactus League and annual operations of the stadium and organization in Arizona. The analysis was designed to estimate the impact on the economy and governmental



revenues generated from construction, tourist spending, concessions and ticket sales as well as taxes generated by annual operations.

- **Impact of Goodyear Job Incentive Program**

The scope of this engagement is to provide a fiscal analysis of new employees who would relocate to Goodyear, Arizona from new or expanding businesses. The study analyzed the impacts of direct employee and spin-off employee spending within the City of Goodyear over a hypothetical three-year time period.

- **USA Basketball Economic and Fiscal Impact Study – City of Glendale, AZ**

Elliott D. Pollack & Company was retained to perform an economic and fiscal impact study of the construction and ongoing operations of the proposed relocation of USA Basketball (USAB) to Glendale, Arizona. The proposed site was located within Glendale's Sports and Entertainment District which also includes a number of sporting venues.

- **Economic and Fiscal Impact of Super Bowl XLII – City of Glendale, AZ**

Elliott D. Pollack & Company was retained by the City of Glendale to conduct an economic and fiscal impact analysis of Super Bowl XLII in Glendale, Arizona. The analysis was designed to estimate the impact generated during the two-week period surrounding Super Bowl Sunday. The impact was based on non-local visitor spending injected into the local economy. The study was supplemented by an intercept survey administered during Super Bowl activities.

- **Economic and Fiscal Impact of Resolution Copper Company, Superior, Arizona**

Elliott D. Pollack & Company was retained to conduct an economic and fiscal impact analysis of the Resolution Copper Company project, a proposed copper mining operation located mainly in Superior, Arizona. The analysis for the mine project includes the ongoing construction and mining operations through the life of the mine. In addition to mining operations, this analysis examined mining employee activity and additional development that could occur within the Town of Superior and the impact of this activity on the local economy.

3.2 Projects Undertaken by Silver Fern Management

- **Ventana Picachos – 86th Avenue and Calle Lejos, Peoria, Arizona**

Silver Fern provided construction management for onsite improvements to private property and offsite improvements to 89th Avenue and Calle Lejos Road. Construction management included coordination of civil designs to the completion of improvements for both the City of Peoria and Maricopa County Department of Transportation. We also coordinated construction sequences with City of Peoria and Maricopa County Flood Control District, and their contractor Achen-Gardner, during the regional drainage improvements for both jurisdictions.



- **Fletcher Farms Traffic Signal – Deer Valley Road Between 79th and 83rd Avenues, Peoria, Arizona**

Silver Fern provided construction management for the property owner which included coordination with the City of Peoria Capital Improvement District Engineer, Dan Nissen. Management and coordination services included retrofitting a turn lane for the Fletcher Farms Community and installation traffic signals for the intersection of 79th Avenue and Deer Valley Road. All this was completed while maintaining access during high volume traffic times.

- **Sunset Ranch II – East of Lake Pleasant Parkway and North of Williams Road, Peoria, Arizona**

Through a strong working relationship with City of Peoria staff, Silver Fern prepared, processed and achieved approval for a Planned Area Development (PAD) Amendment. This project was especially challenging due to the previously approved PAD that needed to be amended due to economic as well as field condition impacts. We were able to maximize value for the property owner in a time and cost efficient manner.

In addition, we provided construction management for both offsite and onsite improvements for the Sunset Ranch II Community in close coordination with the City of Peoria. Offsite improvements included management of the half street improvements for Williams Road from 101st Avenue to 99th Avenue and half street improvements for 99th Avenue from Williams Road to the northern boundary of Sunset Ranch IIB. We also managed the installation of a separate fire lane which was added per the City of Peoria Fire Department.

- **Sedella – Southeast corner of Camelback and Perryville Road, Goodyear, Arizona**

Silver Fern conducted an investigation encompassing extensive review and analysis of entitlement rights and obligations associated with the master planned community. In addition, we coordinated and negotiated preliminary terms with the City of Goodyear staff and private utility providers to develop a strategy for asset retention and development agreement obligation mitigation, creating a viable financial and water source solution to address current market demands for the landowner. As an added benefit, we provided a summary of options for the reduction in developmental costs for the term of the project.

- **Ritz-Carlton Paradise Valley Community – 7000 East Lincoln Drive, Paradise Valley, Arizona**

Silver Fern performed an extensive investigation of entitlement proceeding and approvals including development agreements, proposed timeline schedules to complete the obtainment of permits, and completed construction. We also prepared a detailed schedule lineage and analysis of constructability timing and costs and delivered an expert report and testimony of findings and opinion.



- **Paulson Hedge Fund Acquisition – Multiple Properties in Colorado, Las Vegas and Arizona**

Silver Fern conducted a due diligence investigation and underwriting analysis for a national hedge fund acquisition on the multi-state Engle Bankruptcy Portfolio disposition including eighteen (18) properties located throughout Maricopa and Pinal Counties in Arizona. This included the procurement of materials and preparation of an in-depth summary of findings with cost to complete and cost-to-date analysis, which was utilized as an instrumental tool in the decision making process leading to a successful acquisition of thirty-three (33) properties over a three state area.

4.0 Resumes of Key Personnel

4.1 Resumes of Elliott D. Pollack & Company Personnel

Richard C. Merritt – President

Rick Merritt is President and one of the founders of Elliott D. Pollack & Company, a real estate and economic consulting firm that provides consultation on all aspects of the Arizona economy with specialization in the real estate market. Mr. Merritt is responsible for management of real estate and economic consulting assignments for the Company. He also serves as Project Manager for a number of real estate development projects and investments affiliated with Partnerships formed by Elliott D. Pollack. Mr. Merritt has more than thirty-five years experience in the fields of real estate development and consulting, city planning, and project management, thirty years of which are in the Phoenix area.

In the consulting field, Mr. Merritt specializes in economic and fiscal impact analysis, real estate market and financial feasibility, and land use analysis. Some of his significant accomplishments are management of economic and fiscal impact studies of Bank One Ballpark in Downtown Phoenix and the Arizona Tourism and Sports Authority, the entity charged with constructing a multi-purpose stadium for the Fiesta Bowl and Arizona Cardinals in Glendale. He has supervised the completion of numerous market and feasibility studies of the retail office, industrial and residential real estate sectors. Mr. Merritt authored the Arizona Affordable Housing Profile, a study funded by HUD and the Arizona Department of Housing, which examined the housing inventory in each community and county in the State.

Mr. Merritt has managed a wide variety of real estate projects over the last twenty-five years. His responsibilities have involved initial acquisition and due diligence analysis, planning and engineering of the properties, infrastructure development, entitlements and land development. Projects have ranged from master planned communities of 600 to 1,000 acres in size to small 5 to 10 acre retail and apartment sites. Current responsibilities include due diligence analysis and management of partially completed residential subdivisions acquired during the recent downturn in the single-family market.



Prior to his present employment, Mr. Merritt served as Land Development Manager for The Northern Equities Company, the developer of the Borgata of Scottsdale, with responsibility for planning, engineering and construction of the Company's projects. From 1981 through 1985, Mr. Merritt served as Planning Director and Manager of the Community Development Department for the Town of Gilbert, Arizona.

Mr. Merritt has a Masters of Business Administration from Arizona State University and a Bachelors of Community Planning from the University of Cincinnati. He is a Member of the American Planning Association and is an active member in Valley Partnership and Lambda Alpha, an international land economics fraternity. He has been a lecturer at a number of economic and planning functions and a guest speaker at the Arizona Governor's Conference on Rural Development and Economic Planning.

Jim Rounds – Senior Vice President and Senior Economist

Jim Rounds is Senior Vice President and Senior Economist with Elliott D. Pollack & Company. Mr. Rounds specializes in preparing economic analyses for both public and private sector organizations, including economic overviews related to the national and state economies. Jim has extensive expertise in matters of economics, finance, rural and urban economic development, public policy, taxation, real estate analysis, and litigation.

Mr. Rounds has written and co-authored a number of economic articles on the state of the local and national economies. In addition to opining on the state of the economy through written format, Jim has delivered hundreds of presentations to national organizations, private companies, local civic organizations, universities, and legislative committees. Jim has been quoted in the local print media, nationally recognized newspapers and websites, and provides commentary on local radio and television programs.

Prior to his employment with Elliott D. Pollack & Company, Mr. Rounds served as a Senior Economist and Senior Budget Analyst with the Arizona Joint Legislative Budget Committee, the budget and economic analysis arm of the Arizona Legislature. As an employee of the Arizona Legislature, Jim was responsible for analyzing and forecasting a variety of state taxes. In addition to his tax analysis duties, Jim was responsible for analyzing dozens of state agency budgets.

Mr. Rounds has a Bachelor of Science degree and a Master of Science degree in Economics from Arizona State University.

Jill Welch – COO and Senior Economist

Ms. Welch specializes in preparing economic and fiscal impact models, market feasibility studies and forecasting assignments. Her expertise includes assessing the effective impact of economic development on the financial well being of local, county



and state governments. In addition, she produces numerous presentations for a broad spectrum of business executives, enabling them to easily grasp and utilize economic and fiscal trends. Her duties include researching and managing economic conditions for a variety of presentations and consulting assignments and she is proficient with GIS mapping systems. She has proven analytical, planning and organizational skills coupled with the ability to communicate effectively in both the domestic and international market place.

Ms. Welch serves on behalf of Elliott D. Pollack & Company as the research economist for Maricopa County's Office of Management and Budget. In addition, she is responsible for the creation of Retention and Relocation Economic and Fiscal Impact Models and created an interactive website, www.fiscalimpacts.com. The models are customized applications and calculate the economic and fiscal impact of business locates in selected areas. In addition, Ms. Welch is secretary of the Arizona Economic Roundtable.

From 1994 through 1996, Ms. Welch served as support specialist and economic analyst for First Interstate Bank's six-state Southwest Region, including Arizona, Colorado, Nevada, New Mexico, Utah and Wyoming. At the bank she planned and systematized linked databases for various international and domestic indicators, which served as a basis for organizing a printing and distribution plan for a monthly publication.

Ms. Welch has a Bachelor of Science degree in Economics and an International Business Certificate from Arizona State University.

Daniel Court – Senior Economic Analyst

Mr. Court possesses exceptional research skills relating to demographic, economic, and real estate data for a multitude of assignments including market studies, fiscal and economic impact reports, community general plans, and presentations.

Mr. Court has experience in working with affordable housing issues and initiatives, commercial market studies, Low Income Housing Tax Credit studies, and has extensive knowledge of economic and fiscal impact models relating to residential, commercial, and mixed land uses as well as public events.

Mr. Court has a Bachelor of Arts in Economics from Arizona State University with a minor in Mandarin Chinese. Mr. Court is also in the process of completing a Masters of Business Administration degree through Arizona State University.

Felicia Kessler – Economic Analyst

Felicia Kessler is an Economic Analyst with Elliott D. Pollack & Company. Ms. Kessler is adept at data collection, manipulation, and representation. Ms. Kessler employs a technical approach to solving difficult economic issues, which includes the use of



various programming skills. Ms. Kessler also possesses a breadth of knowledge in economic and real estate related topics.

Ms. Kessler has experience working with economic and fiscal impacts models and has participated in a variety of market and policy studies. Ms. Kessler has also supported staff in housing market analyses and has demonstrated extensive knowledge of the Arizona real estate market.

Ms. Kessler has a Bachelor of Science in Economics from Arizona State University with a minor in Mathematics.

4.2 Resumes of Silver Fern Management Personnel

John Fortini - President / Managing Member

John Fortini's career has involved working in the construction management and land development industry. He started as a building supervisor for a publicly-traded homebuilder in Phoenix, Arizona. Through this experience Mr. Fortini then transitioned to start a successful career as a land development project manager with increasing responsibilities for entitlements and development of large scale residential communities.

Mr. Fortini is currently the Principal / President / Managing Member of Silver Fern and is responsible for all operations. In addition to services provided to private land development clients, he has expanded the Company's operations to include construction management of municipal infrastructure, capital improvement projects, and infrastructure projects developed through joint development agreements and improvement districts. Prior to his career at Silver Fern, Mr. Fortini was a residential building superintendent for Richmond American Homes/MDC Holdings in Phoenix, Arizona and was responsible for forward planning and model home construction.

Mr. Fortini's extensive knowledge and experience in the development of land in Arizona, as well as his attention to detail and exceptional client service, will be an asset to the City of Peoria in evaluating the ramifications of infrastructure costs on project feasibility and timing. He is keenly focused on evolving entitlement processes, development requirements, and construction standards. His expertise is built on deep experience and enduring relationships with jurisdictional officials, utility providers, private developers, and public homebuilders.

Mr. Fortini has a Bachelors of Science from the Del E. Webb School of Construction at Arizona State University.

Mari A. Flynn - Vice President, Land Development

Ms. Flynn has over eighteen years in the entitlement, development and homebuilding industry in Greater Phoenix and has worked for two of the largest pubic homebuilders as senior entitlement manager, taking dozens of developments from initial acquisition,



through zoning, and to final plat. She has extensive experience negotiating development agreements with governmental entities, utility providers, school districts, private landowners, and developers. She has represented landowners in multiyear negotiations with a municipality to secure a regional waste water infrastructure solution, including the formation of a CFD to fund the final solution. Ms. Flynn worked with municipal and county officials to help draft model legislation and regulations regarding design standards and development policies and procedures, which were adopted by the Towns of Buckeye and Maricopa, as well as Pinal County, Arizona.

As Vice President Land Development, Ms. Flynn's duties include the review and analysis of all due diligence materials for perspective clients. She has strong experience in reviewing and assisting negotiations of municipality pre-annexation and development agreements, joint private party development agreements and cost sharing agreements. She reviews the status of entitlements completed to date and all documentation including title commitments, homeowners association related documents, and environmental reports. She oversees and/or coordinates completion of the entitlement process from raw land to recorded final plat including annexations, zoning, land planning, platting and preparation of infrastructure construction documents. She also services as the client liaison during due diligence investigations and entitlement processes.

Stephen Ochoa – Director of Construction

Mr. Ochoa has over fifteen years of land development and construction industry. He is a veteran of the United States Marine Corps. As Director of Construction, Mr. Ochoa's responsibilities include overseeing all field operations and Project Managers in the development process. He manages construction budgets for individual projects, prepares the construction schedule and verifies that the project stays on schedule and on/under budget. Mr. Ochoa works with the developer(s) during the construction phase to ensure that all expectations are met and works with the engineer on constructability of the plans.

5.0 Proposed Fees

With the assistance of City staff, the EDPCO project team will review the proposed assignment and prepare a scope of work and fee schedule for the study. Attendance at any required meetings will be included in the proposal. The cost proposal for the study will be transmitted to the City for review by staff. The cost proposal shall be fixed fee based on the hourly professional fee outlined in this proposal. The fee will not include any travel expenses or incidentals.

We proposed that the professional fee for most services under this proposal be based on a blend of hourly rates of staff that would be involved in the review of the economic development projects.



The proposed blended hourly is: \$165 per hour.

The proposed blended hourly rate includes a 10% reduction in standard hourly rates of all personnel and is based on the following percentage contributions of staff members to each of the projects.

Elliott D. Pollack & Company

Richard Merritt, Principal-In-Charge	10%
Jim Rounds, Project Manager	20%
Jill Welch, Senior Economist	10%
Daniel Court, Senior Economic Analyst	35%
Felicia Kessler, Economic Analyst	25%
<u>Total</u>	<u>100%</u>

Key Personnel of Silver Fern Management

John Fortini, President	20%
Mari Flynn, VP of Land Development	40%
Stephen Ochoa, Director of Construction	20%
<u>Support Staff</u>	<u>20%</u>
<u>Total</u>	<u>100%</u>

We anticipate that most economic development projects will fall under the blended hourly fee proposal. However, specialized services provided to the City may require an adjustment of the percentages outlined above. In this event, we will notify the City of the need to revise the blended hourly rate and propose an alternative fee structure for the individual project. We anticipate that any increase in the blended rate would not exceed an additional 15%.

Professional fees will be billed monthly based on the percentage of the project or task completed. A progress report will accompany each billing.

The quoted fixed fee will include an original and five (5) copies of all reports and an electronic version of the reports in PDF format. Any travel expenses or incidentals will not be billed to the City. The proposal will include all meetings with the City staff and presentations, if necessary, to City boards or the Council.

