

**COMMON INTEREST AGREEMENT AMENDMENT**

This Common Interest Agreement Amendment (“Amendment”) is entered into by and among the undersigned cities (“Cities”) in the matter of tax assessments against the following online travel companies (“OTCs”): Expedia, Inc.; Hotels.com, LP; Hotwire, Inc.; Priceline.com, Inc. (and affiliate Travelweb LLC); Orbitz Worldwide, Inc. (and affiliated entities); and Travelocity.com, LP (collectively “OTCs”). This Amendment modifies the Cities’ Common Interest Agreement as set forth below.

RECITALS

A. The Cities executed the original common interests agreement, dated March 17, 2010, which recited the Cities’ intent to “shar[e] the burdens, expenses, and costs associated with litigation” (p. 1).

B. The Cities awarded Holm Wright Hyde & Hays PLC the contract to represent the Cities to assist in collecting unpaid taxes from the OTCs. Under the contract, the Cities are not responsible for litigation costs in the event of loss (p. 14, § 3), but the Cities are still liable for paying attorneys’ fees awarded to the OTCs.

C. The Cities desire to split proportionately (based on each City’s pro rata share of the assessments) all attorneys’ fees, if any, awarded to the OTCs (if they prevail). This proportionate split will be the same as the Cities would divide recovery and litigation costs if the Cities succeeded in their collection efforts.

D. The Cities’ respective attorneys are authorized to execute this Amendment on behalf of their respective Cities. Under § 11 of the Common Interest Agreement, the Cities may execute this Amendment in counterparts, with all counterparts constituting one agreement and each deemed an original.

Now, therefore, in consideration of the Cities’ mutual promises, the Cities amend the common interest agreement by adding a new Section 12.

12. Cost Sharing. If the Cities are successful in collecting unpaid taxes from the OTCs, then after paying Holm Wright’s fee, the Cities agree to split the litigation costs advanced by Holm Wright proportionately based on their assessments against the OTCs. The Cities will split and share the remaining recovery in proportion to each City’s assessment compared to all Cities’ assessments against the OTCs.

If the OTCs prevail and the hearing officer or court awards them attorneys' fees against the Cities, the Cities will split and bear the OTCs' attorneys' fees in the same manner (in proportion to each City's assessment, compared to all Cities' assessments against the OTCs), not to exceed each City's statutory maximum.

DATED: August 1, 2014

City of Apache Junction

By 

Name RICHARD JOEL STERN

Title City Attorney

City of Flagstaff

By \_\_\_\_\_

Name \_\_\_\_\_

Title \_\_\_\_\_

City of Mesa

By \_\_\_\_\_

Name \_\_\_\_\_

Title \_\_\_\_\_

City of Peoria

By \_\_\_\_\_

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City of Chandler

By \_\_\_\_\_

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City of Glendale

By \_\_\_\_\_

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City of Nogales

By \_\_\_\_\_

Name \_\_\_\_\_

Title \_\_\_\_\_

City of Phoenix

By \_\_\_\_\_

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August 1, 2014  
Page 2

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City of Peoria

By \_\_\_\_\_

Name \_\_\_\_\_

Title \_\_\_\_\_

City of Chandler

By Kay Bigelow

Name Kay Bigelow

Title City Attorney

City of Glendale

By \_\_\_\_\_

Name \_\_\_\_\_

Title \_\_\_\_\_

City of Nogales

By \_\_\_\_\_

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City of Phoenix

By \_\_\_\_\_

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City of Apache Junction

By \_\_\_\_\_

Name \_\_\_\_\_

Title \_\_\_\_\_

City of Flagstaff

By Kevin Burke

Name Kevin Burke

Title City Manager

City of Mesa

By \_\_\_\_\_

Name \_\_\_\_\_

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City of Peoria

By \_\_\_\_\_

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City of Chandler

By \_\_\_\_\_

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Title \_\_\_\_\_

City of Glendale

By *Michael Bailey/dm*

Name *Michael Bailey*

Title *City Attorney*

City of Nogales

By \_\_\_\_\_

Name \_\_\_\_\_

Title \_\_\_\_\_

City of Phoenix

By \_\_\_\_\_

Name \_\_\_\_\_

Title \_\_\_\_\_

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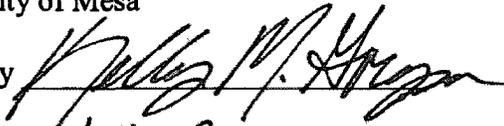
City of Flagstaff

By \_\_\_\_\_

Name \_\_\_\_\_

Title \_\_\_\_\_

City of Mesa

By  \_\_\_\_\_

Name Kelly Gregan

Title Asst. City Attorney

City of Peoria

By \_\_\_\_\_

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City of Chandler

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City of Glendale

By \_\_\_\_\_

Name \_\_\_\_\_

Title \_\_\_\_\_

City of Nogales

By  \_\_\_\_\_

Name MICHAEL MASSE

Title DEPUTY CITY ATTORNEY

City of Phoenix

By \_\_\_\_\_

Name \_\_\_\_\_

Title \_\_\_\_\_

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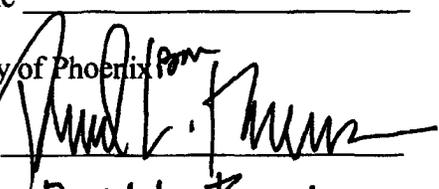
City of Nogales

By \_\_\_\_\_

Name \_\_\_\_\_

Title \_\_\_\_\_

City of Phoenix

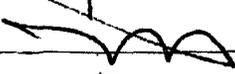
By  \_\_\_\_\_

Name Daniel L. Brown

Title Acting City Attorney

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City of Prescott

By  \_\_\_\_\_

Name Jon Paladini

Title City Attorney

City of Tempe

By \_\_\_\_\_

Name \_\_\_\_\_

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City of Scottsdale

By \_\_\_\_\_

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City of Tucson

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City of Tempe

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City of Scottsdale

By  \_\_\_\_\_

Name Bruce Washburn

Title City Attorney

City of Tucson

By \_\_\_\_\_

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Page 3

City of Prescott

By \_\_\_\_\_

Name \_\_\_\_\_

Title \_\_\_\_\_

City of Tempe

By 

Name Judith Baumann

Title City Attorney

City of Scottsdale

By \_\_\_\_\_

Name \_\_\_\_\_

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City of Tucson

By \_\_\_\_\_

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City of Prescott

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City of Tempe

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City of Scottsdale

By \_\_\_\_\_

Name \_\_\_\_\_

Title \_\_\_\_\_

City of Tucson

By \_\_\_\_\_

Name Mike Rankin

Title City Attorney

Approved as to form:  
August 1, 2014  
[Signature]  
Chief Deputy City Attorney