

**CITY CLERK  
ORIGINAL**

**C-9200  
09/15/2014**

**PROFESSIONAL SERVICES AGREEMENT  
(Not Construction Related)**

Market Analysis for the Foothills Recreation and Aquatic Center and the Glendale Adult Center

This Professional Services Agreement ("Agreement") is entered into and effective between CITY OF GLENDALE, an Arizona municipal corporation ("City") and Kanet Productions, Inc., an Ohio Corporation, authorized to do business in the State of Arizona, ("Consultant") as of the 15 day of September, 20\_\_\_\_ ("Effective Date").

**RECITALS**

- A. City intends to undertake a project for the benefit of the public and with public funds that is more fully set forth in **Exhibit A**, Project (the "Project");
- B. City desires to retain the professional services of Consultant to perform certain specific duties and produce the specific work as set forth in the attached **Exhibit B**, Project Scope of Work ("Scope");
- C. Consultant desires to provide City with professional services ("Services") consistent with best consulting or architectural practices and the standards set forth in this Agreement, in order to complete the Project; and
- D. City and Consultant desire to memorialize their agreement with this document.

**AGREEMENT**

The parties hereby agree as follows:

**1. Key Personnel; Other Consultants and Subcontractors.**

- 1.1 Professional Services. Consultant will provide all Services necessary to assure the Project is completed timely and efficiently consistent within Project requirements, including, but not limited to, working in close interaction and interfacing with City and its designated employees, and working closely with others, including other consultants or contractors, retained by City.
- 1.2 Project Team.
  - a. Project Manager.
    - (1) Consultant will designate an employee as Project Manager with sufficient training, knowledge, and experience to, in the City's opinion, complete the project and handle all aspects of the Project such that the work produced by Consultant is consistent with applicable standards as detailed in this Agreement; and
    - (2) The City must approve the designated Project Manager.
  - b. Project Team.
    - (1) The Project Manager and all other employees assigned to the Project by Consultant will comprise the "Project Team."
    - (2) Project Manager will have responsibility for and will supervise all other employees assigned to the Project by Consultant.
  - c. Discharge, Reassign, Replacement.
    - (1) Consultant acknowledges the Project Team is comprised of the same persons and roles for each as may have been identified in **Exhibit A**.
    - (2) Consultant will not discharge, reassign, replace or diminish the responsibilities of any of the employees assigned to the Project who have been approved by City

without City's prior written consent unless that person leaves the employment of Consultant, in which event the substitute must first be approved in writing by City.

(3) Consultant will change any of the members of the Project Team at the City's request if an employee's performance does not equal or exceed the level of competence that the City may reasonably expect of a person performing those duties, or if the acts or omissions of that person are detrimental to the development of the Project.

d. Subcontractors. Consultant shall not engage any subcontractor for the work or services to be performed under this Agreement.

2. **Schedule.** The Services will be undertaken in a manner that ensures the Project is completed timely and efficiently in accordance with the Project.

3. **Consultant's Work.**

3.1 Standard. Consultant must perform Services in accordance with the standards of due diligence, care, and quality prevailing among consultants having substantial experience with the successful furnishing of Services for projects that are equivalent in size, scope, quality, and other criteria under the Project and identified in this Agreement.

3.2 Licensing. Consultant warrants that:

a. Consultant currently holds all appropriate and required licenses, registrations and other approvals necessary for the lawful furnishing of Services ("Approvals"); and

b. Neither Consultant nor any Subconsultant has been debarred or otherwise legally excluded from contracting with any federal, state, or local governmental entity ("Debarment").

(1) City is under no obligation to ascertain or confirm the existence or issuance of any Approvals or Debarments, or to examine Consultant's contracting ability.

(2) Consultant must notify City immediately if any Approvals or Debarment changes during the Agreement's duration. The failure of the Consultant to notify City as required will constitute a material default under the Agreement.

3.3 Compliance. Services will be furnished in compliance with applicable federal, state, county and local statutes, rules, regulations, ordinances, building codes, life safety codes, and other standards and criteria designated by City.

3.4 Coordination; Interaction.

a. For projects that the City believes requires the coordination of various professional services, Consultant will work in close consultation with City to proactively interact with any other professionals retained by City on the Project ("Coordinating Project Professionals").

b. Subject to any limitations expressly stated in the Project Budget, Consultant will meet to review the Project, Schedule, Project Budget, and in-progress work with Coordinating Project Professionals and City as often and for durations as City reasonably considers necessary in order to ensure the timely work delivery and Project completion.

c. For projects not involving Coordinating Project Professionals, Consultant will proactively interact with any other contractors when directed by City to obtain or disseminate timely information for the proper execution of the Project.

3.5 Work Product

a. Ownership. Upon receipt of payment for Services furnished, Consultant grants to City exclusive ownership of and all copyrights, if any, to evaluations, reports, drawings, specifications, project manuals, surveys, estimates, reviews, minutes, all "architectural

work" as defined in the United States Copyright Act, 17 U.S.C § 101, *et seq.*, and other intellectual work product as may be applicable ("Work Product").

- (1) This grant is effective whether the Work Product is on paper (e.g., a "hard copy"), in electronic format, or in some other form.
  - (2) Consultant warrants, and agrees to indemnify, hold harmless and defend City for, from and against any claim that any Work Product infringes on third-party proprietary interests.
- b. Delivery. Consultant will deliver to City copies of the preliminary and completed Work Product promptly as they are prepared.
- c. City Use.
- (1) City may reuse the Work Product at its sole discretion.
  - (2) In the event the Work Product is used for another project without further consultations with Consultant, the City agrees to indemnify and hold Consultant harmless from any claim arising out of the Work Product.
  - (3) In such case, City will also remove any seal and title block from the Work Product.

#### 4. Compensation for the Project.

- 4.1 Compensation. Consultant's compensation for the Project, including those furnished by its Subconsultants or Subcontractors will not exceed \$15,000 as specifically detailed in **Exhibit D** ("Compensation").
- 4.2 Change in Scope of Project. The Compensation may be equitably adjusted if the originally contemplated Scope as outlined in the Project is significantly modified.
- a. Adjustments to Compensation require a written amendment to this Agreement and may require City Council approval.
  - b. Additional services which are outside the Scope of the Project contained in this Agreement may not be performed by the Consultant without prior written authorization from the City.
  - c. Notwithstanding the incorporation of the Exhibits to this Agreement by reference, should any conflict arise between the provisions of this Agreement and the provisions found in the Exhibits and accompanying attachments, the provisions of this Agreement shall take priority and govern the conduct of the parties.
- 4.3 Allowances. An "Allowance" may be identified in **Exhibit D** only for work that is required by the Scope and the value of which cannot reasonably be quantified at the time of this Agreement.
- a. As stated in Sec. 4.1 above, the Compensation must incorporate all Allowance amounts identified in **Exhibit D** and any unused allowance at the completion of the Project will remain with City
  - b. Consultant may not add any mark-up for work identified as an Allowance and which is to be performed by a Subconsultant.
  - c. Consultant will not use any portion of an Allowance without prior written authorization from the City.
  - d. Examples of Allowance items include, but are not limited to, subsurface pothole investigations, survey, geotechnical investigations, public participation, radio path studies and material testing.
- 4.4 Expenses. City will reimburse Consultant for certain out-of-pocket expenses necessarily incurred by Consultant in connection with this Agreement, without mark-up (the "Reimbursable Expenses"), including, but not limited to, document reproduction, materials for book preparation,

postage, courier and overnight delivery costs incurred with Federal Express or similar carriers, travel and car mileage, subject to the following:

- a. Mileage, airfare, lodging and other travel expenses will be reimbursable only to the extent these would, if incurred, be reimbursed to City of Glendale personnel under its policies and procedures for business travel expense reimbursement made available to Consultant for review prior to the Agreement's execution, and which policies and procedures will be furnished to Consultant;
- b. The Reimbursable Expenses in this section are approved in advance by City in writing; and
- c. The total of all Reimbursable Expenses paid to Consultant in connection with this Agreement will not exceed the "not to exceed" amount identified for Reimbursable Services in the Compensation.

## 5. **Billings and Payment.**

### 5.1 Applications.

- a. Consultant will submit monthly invoices (each, a "Payment Application") to City's Project Manager and City will remit payments based upon the Payment Application as stated below.
- b. The period covered by each Payment Application will be one calendar month ending on the last day of the month.

### 5.2 Payment.

- a. After a full and complete Payment Application is received, City will process and remit payment within 30 days.
- b. Payment may be subject to or conditioned upon City's receipt of:
  - (1) Completed work generated by Consultant and its Subconsultants; and
  - (2) Unconditional waivers and releases on final payment from all Subconsultants as City may reasonably request to assure the Project will be free of claims arising from required performances under this Agreement.

### 5.3 Review and Withholding. City's Project Manager will timely review and certify Payment Applications.

- a. If the Payment Application is rejected, the Project Manager will issue a written listing of the items not approved for payment.
- b. City may withhold an amount sufficient to pay expenses that City reasonably expects to incur in correcting the deficiency or deficiencies rejected for payment.

## 6. **Termination.**

### 6.1 For Convenience. City may terminate this Agreement for convenience, without cause, by delivering a written termination notice stating the effective termination date, which may not be less than 15 days following the date of delivery.

- a. Consultant will be equitably compensated for Services furnished prior to receipt of the termination notice and for reasonable costs incurred.
- b. Consultant will also be similarly compensated for any approved effort expended, and approved costs incurred, that are directly associated with Project closeout and delivery of the required items to the City.

### 6.2 For Cause. City may terminate this Agreement for cause if Consultant fails to cure any breach of this Agreement within seven days after receipt of written notice specifying the breach.

- a Consultant will not be entitled to further payment until after City has determined its damages. If City's damages resulting from the breach, as determined by City, are less than the equitable amount due but not paid Consultant for Services furnished, City will pay the amount due to Consultant, less City's damages, in accordance with the provisions of Sec. 5.
- b If City's direct damages exceed amounts otherwise due to Consultant, Consultant must pay the difference to City immediately upon demand; however, Consultant will not be subject to consequential damages more than \$1,000,000 or the amount of this Agreement, whichever is greater.

7. **Conflict.** Consultant acknowledges this Agreement is subject to A.R.S. § 38-511, which allows for cancellation of this Agreement in the event any person who is significantly involved in initiating, negotiating, securing, drafting, or creating the Agreement on City's behalf is also an employee, agent, or consultant of any other party to this Agreement.

8. **Insurance.**

8.1 Requirements. Consultant must obtain and maintain the following insurance ("Required Insurance"):

- a Consultant and Subconsultants. Consultant, and each Subconsultant performing work or providing materials related to this Agreement must procure and maintain the insurance coverages described below (collectively referred to herem as the "Consultant's Policies"), until each Party's obligations under this Agreement are completed.
- b General Liability.
  - (1) Consultant must at all times relevant hereto carry a commercial general liability policy with a combined single limit of at least \$1,000,000 per occurrence and \$2,000,000 annual aggregate limit.
  - (2) Subconsultants must at all times relevant hereto carry a general commercial liability policy with a combined single limit of at least \$1,000,000 per occurrence.
  - (3) This commercial general liability insurance must include independent contractors' liability, contractual liability, broad form property coverage, XCU hazards if requested by the City, and a separation of insurance provision.
  - (4) These limits may be met through a combination of primary and excess liability coverage.
- c Professional Liability. Consultant must maintain a professional errors and omissions liability policy providing a minimum limit of \$1,000,000 for each claim and a \$1,000,000 annual aggregate limit.
- d Auto. A business auto policy providing a liability limit of at least \$1,000,000 per accident for Consultant and \$1,000,000 per accident for Subconsultants and Subcontractors and covering owned, non-owned and hired automobiles.
- e Workers' Compensation and Employer's Liability. Consultant must also maintain a workers' compensation and employer's liability policy providing at least the minimum benefits required by Arizona law.
- f Notice of Changes. Consultant's Policies must provide for not less than 30 days' advance written notice to City Representative of:
  - (1) Cancellation or termination of Consultant's Policies;
  - (2) Reduction of the coverage limits of any of Consultant's Policies; and
  - (3) Any other material modification of Consultant's Policies related to this Agreement.

g. Certificates of Insurance.

- (1) Within 10 business days after the execution of the Agreement, Consultant must deliver to City Representative certificates of insurance for each of Consultant's Policies, which will confirm the existence or issuance of Consultant's Policies in accordance with the provisions of this section, and copies of the endorsements of Consultant's Policies in accordance with the provisions of this section.
- (2) City is and will be under no obligation either to ascertain or confirm the existence or issuance of Consultant's Policies, or to examine Consultant's Policies, or to inform Consultant or Subconsultant, in the event that any coverage does not comply with the requirements of this section.
- (3) Consultant's failure to secure and maintain Consultant's Policies and to assure Consultant's Policies as required will constitute a material default under the Agreement.

h. Other Contractors or Vendors.

- (1) Other contractors or vendors that may be contracted with in connection with the Project must procure and maintain insurance coverage as is appropriate to their particular contract.
- (2) This insurance coverage must comply with the requirements set forth above for Consultant's Policies (e.g., the requirements pertaining to endorsements to name the parties as additional insured parties and certificates of insurance).

i. Policies. Except with respect to workers' compensation and professional liability coverages, City must be named and properly endorsed as additional insureds on all liability policies required by this section.

- (1) The coverage extended to additional insureds must be primary and must not contribute with any insurance or self insurance policies or programs maintained by the additional insureds.
- (2) All insurance policies obtained pursuant to this section must be with companies legally authorized to do business in the State of Arizona and reasonably acceptable to all parties.

8.2 Subconsultants.

- a. Consultant must also cause its Subconsultants to obtain and maintain the Required Insurance.
- b. City may consider waiving these insurance requirements for a specific Subconsultant if City is satisfied the amounts required are not commercially available to the Subconsultant and the insurance the Subconsultant does have is appropriate for the Subconsultant's work under this Agreement.
- c. Consultant must provide to the City proof of the Required Insurance whenever requested.

8.3 Indemnification.

- a. To the fullest extent permitted by law, Consultant must defend, indemnify, and hold harmless City and its elected officials, officers, employees and agents (each, an "Indemnified Party," collectively, the "Indemnified Parties") for, from, and against any and all claims, demands, actions, damages, judgments, settlements, personal injury (including sickness, disease, death, and bodily harm), property damage (including loss of use), infringement, governmental action and all other losses and expenses, including attorneys' fees and litigation expenses (each, a "Demand or Expense" collectively "Demands or Expenses") asserted by a third-party (i.e. a person or entity other than City or Consultant) and that arises out of or results from the breach of this Agreement by the Consultant or

the Consultant's negligent actions, errors or omissions (including any Subconsultant or Subcontractor or other person or firm employed by Consultant), whether sustained before or after completion of the Project.

- b. This indemnity and hold harmless provision applies even if a Demand or Expense is in part due to the Indemnified Party's negligence or breach of a responsibility under this Agreement, but in that event, Consultant will be liable only to the extent the Demand or Expense results from the negligence or breach of a responsibility of Consultant or of any person or entity for whom Consultant is responsible.
- c. Consultant is not required to indemnify any Indemnified Parties for, from, or against any Demand or Expense resulting from the Indemnified Party's sole negligence or other fault solely attributable to the Indemnified Party.

## **9. Immigration Law Compliance.**

- 9.1 Consultant, and on behalf of any Subconsultant, warrants to the extent applicable under A.R.S. § 41-4401, compliance with all federal immigration laws and regulations that relate to their employees as well as compliance with A.R.S. § 23-214(A) which requires registration and participation with the E-Verify Program.
- 9.2 Any breach of warranty under this section is considered a material breach of this Agreement and is subject to penalties up to and including termination of this Agreement.
- 9.3 City retains the legal right to inspect the papers of any Consultant, Subconsultant, or employee who performs work under this Agreement to ensure that the Consultant, Subconsultant, or any employee, is compliant with the warranty under this section.
- 9.4 City may conduct random inspections, and upon request of City, Consultant will provide copies of papers and records of Consultant demonstrating continued compliance with the warranty under this section. Consultant agrees to keep papers and records available for inspection by the City during normal business hours and will cooperate with City in exercise of its statutory duties and not deny access to its business premises or applicable papers or records for the purposes of enforcement of this section.
- 9.5 Consultant agrees to incorporate into any subcontracts under this Agreement the same obligations imposed upon Consultant and expressly accrue those obligations directly to the benefit of the City. Consultant also agrees to require any Subconsultant to incorporate into each of its own subcontracts under this Agreement the same obligations above and expressly accrue those obligations to the benefit of the City.
- 9.6 Consultant's warranty and obligations under this section to the City is continuing throughout the term of this Agreement or until such time as the City determines, in its sole discretion, that Arizona law has been modified in that compliance with this section is no longer a requirement.
- 9.7 The "E-Verify Program" above means the employment verification program administered by the United States Department of Homeland Security, the Social Security Administration, or any successor program.

## **10. Notices.**

- 10.1 A notice, request or other communication that is required or permitted under this Agreement (each a "Notice") will be effective only if:
  - a. The Notice is in writing; and
  - b. Delivered in person or by overnight courier service (delivery charges prepaid), certified or registered mail (return receipt requested).
  - c. Notice will be deemed to have been delivered to the person to whom it is addressed as of the date of receipt, if

- (1) Received on a business day before 5:00 p.m. at the address for Notices identified for the Party in this Agreement by U.S. Mail, hand delivery, or overnight courier service; or
- (2) As of the next business day after receipt, if received after 5:00 p.m.
- d. The burden of proof of the place and time of delivery is upon the Party giving the Notice.
- e. Digitalized signatures and copies of signatures will have the same effect as original signatures.

10.2 Representatives.

- a. Consultant. Consultant's representative (the "Consultant's Representative") authorized to act on Consultant's behalf with respect to the Project, and his or her address for Notice delivery is:

Kanet Productions, Inc.  
 Ronald J. Chambless  
 30600 North Pima Road #182  
 Scottsdale, AZ 85266

- b. City. City's representative ("City's Representative") authorized to act on City's behalf, and his or her address for Notice delivery is:

City of Glendale  
 c/o Erik Strunk  
 5850 West Glendale Avenue  
 Glendale, Arizona 85301

With required copy to:

City Manager  
 City of Glendale  
 5850 West Glendale Avenue  
 Glendale, Arizona 85301

City Attorney  
 City of Glendale  
 5850 West Glendale Avenue  
 Glendale, Arizona 85301

- c. Concurrent Notices.
  - (1) All notices to City's representative must be given concurrently to City Manager and City Attorney.
  - (2) A notice will not be deemed to have been received by City's representative until the time that it has also been received by the City Manager and the City Attorney.
  - (3) City may appoint one or more designees for the purpose of receiving notice by delivery of a written notice to Consultant identifying the designee(s) and their respective addresses for notices.
- d. Changes. Consultant or City may change its representative or information on Notice, by giving Notice of the change in accordance with this section at least ten days prior to the change.

**11. Financing Assignment.** City may assign this Agreement to any City-affiliated entity, including a non-profit corporation or other entity whose primary purpose is to own or manage the Project.

**12. Entire Agreement; Survival; Counterparts; Signatures.**

12.1 Integration. This Agreement contains, except as stated below, the entire agreement between City and Consultant and supersedes all prior conversations and negotiations between the parties regarding the Project or this Agreement.

- a. Neither Party has made any representations, warranties or agreements as to any matters concerning the Agreement's subject matter.
- b. Representations, statements, conditions, or warranties not contained in this Agreement will not be binding on the parties.
- c. Inconsistencies between the solicitation, any addenda attached to the solicitation, the response or any excerpts attached as **Exhibit A**, and this Agreement, will be resolved by the terms and conditions stated in this Agreement.

12.2 Interpretation

- a. The parties fairly negotiated the Agreement's provisions to the extent they believed necessary and with the legal representation they deemed appropriate.
- b. The parties are of equal bargaining position and this Agreement must be construed equally between the parties without consideration of which of the parties may have drafted this Agreement.
- c. The Agreement will be interpreted in accordance with the laws of the State of Arizona.

12.3 Survival. Except as specifically provided otherwise in this Agreement, each warranty, representation, indemnification and hold harmless provision, insurance requirement, and every other right, remedy and responsibility of a Party, will survive completion of the Project, or the earlier termination of this Agreement.

12.4 Amendment. No amendment to this Agreement will be binding unless in writing and executed by the parties. Electronic signature blocks do not constitute execution for purposes of this Agreement. Any amendment may be subject to City Council approval.

12.5 Remedies. All rights and remedies provided in this Agreement are cumulative and the exercise of any one or more right or remedy will not affect any other rights or remedies under this Agreement or applicable law.

12.6 Severability. If any provision of this Agreement is voided or found unenforceable, that determination will not affect the validity of the other provisions, and the voided or unenforceable provision will be reformed to conform with applicable law.

12.7 Counterparts. This Agreement may be executed in counterparts, and all counterparts will together comprise one instrument.

13. **Term**. The term of this Agreement commences upon the effective date and continues for a one year initial period. The City may, at its option and with the approval of the Consultant, extend the term of this Agreement an additional \_\_\_\_\_, renewable on an annual basis. Consultant will be notified in writing by the City of its intent to extend the Agreement period at least 30 calendar days prior to the expiration of the original or any renewal Agreement period. Price adjustments will only be reviewed during the Agreement renewal period. There are no automatic renewals of this Agreement.

14. **Dispute Resolution**. Each claim, controversy and dispute (each a "Dispute") between Consultant and City will be resolved in accordance with **Exhibit E**. The final determination will be made by the City.

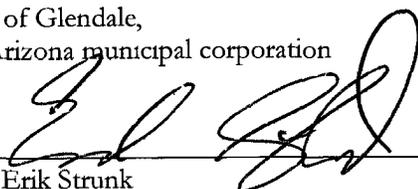
15. **Exhibits**. The following exhibits, with reference to the term in which they are first referenced, are incorporated by this reference.

Exhibit A	Project
Exhibit B	Scope of Work
Exhibit C	Schedule
Exhibit D	Compensation
Exhibit E	Dispute Resolution

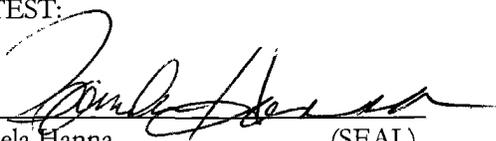
(Signatures appear on the following page.)

The parties enter into this Agreement effective as of the date shown above.

City of Glendale,  
an Arizona municipal corporation

  
By: Erik Strunk  
Its: Director

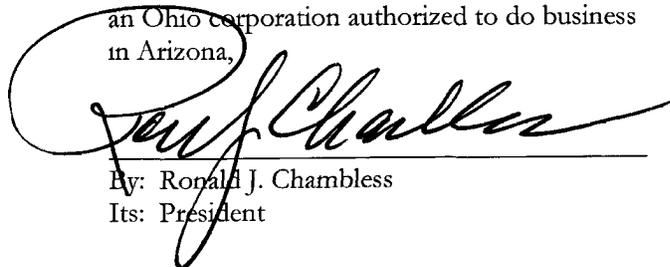
ATTEST:

  
Pamela Hanna (SEAL)  
City Clerk

APPROVED AS TO FORM:

  
Michael D. Bailey  
City Attorney

Kanet Productions, Inc,  
an Ohio corporation authorized to do business  
in Arizona,

  
By: Ronald J. Chambless  
Its: President

**EXHIBIT A**  
**Professional Services Agreement**

PROJECT

The selected consultant will provide Market Analysis for the Foothills Recreation and Aquatics Center and the Glendale Adult Center.

**EXHIBIT B**  
**Professional Services Agreement**

SCOPE OF WORK

(Cover Page)

**Scope of Work  
Market Analysis for  
The Foothills Recreation and Aquatics Center and  
The Glendale Adult Center**



**CITY OF GLENDALE  
PARKS, RECREATION AND LIBRARY SERVICES DEPARTMENT  
5890 W. BROWN STREET  
GLENDALE, AZ 85302  
623-930-2820**

**DECEMBER 20, 2013**

**All Vendor Responses January 3, 2014, 5:00 p.m. via  
FAX: 623-842-2161 or,  
E-Mail: [Strunk@Glendaleaz.com](mailto:Strunk@Glendaleaz.com)  
623-930-2827**

**City of Glendale**  
**Parks, Recreation and Library Services**  
**Foothills Recreation and Aquatic Center and the Glendale Adult Center**  
**Market Analysis Scope of Work Proposal**  
**January 3, 2014**

**Overview**

The City of Glendale is engaged in the preliminary Discovery and Due Diligence Phase for completing a new Strategic Plan to position the Parks, Recreation and Library Services in quality of life services for all citizens while managing greater stewardship of the resources and finances in all services.

One of the first strategic initiatives is to complete individual Market Analysis on the Foothills Recreation and Aquatic Center (FRAC) and the Glendale Adult Center. The primary market data mining; benchmarking indicators, program models, pricing and financial parameters secured within the market analysis and study will be developed into a formal Executive Summary complete with strategic recommendations inclusive of timely execution implications.

Ron Chambless, President, Kanet Productions, Inc. senior consultant for this proposal, has specialized for 37 years in the non-profit, recreation, and municipal community partnership services for YMCAs, Municipalities, Education, Commercial Developers, Jewish Community Centers, Medical Wellness Industry, and other Non-Profit Organizations.

Ron recently completed a 2-year senior consulting services agreement with the Phoenix and Tucson YMCAs. He has worked with the City of Glendale leadership over the past year studying potential community collaboration opportunities for the city and other kindred organizations. Ron is a strategic plan consultant specializing in market research, analysis and data analytics complete with practical executable strategies in the recreation and quality of life services field. (Bio Enclosed)

**Goal**

The goal for this specialized Scope of Services for the Foothills Recreation and Aquatic Center and the Glendale Adult Center Market Analysis is to present to key City of Glendale leadership a comprehensive study that serves as the initial planning framework to successfully execute timely strategic planning and operation initiatives that will improve the overall community response and support, the participation performance, the financial performance and the overall service footprint for both centers achieving a 100% cost recovery goal.

## **Scope of Services Components:**

### **1. Discovery Initiative**

- Complete a comprehensive discovery phase inclusive of the full research and findings from all the past operation and strategic plans for both the Foothills Recreation and Aquatic Center and the Glendale Adult Center and integrate findings into final recommendations plan.
- Timely and strategically complete Discovery Meetings with key leaders for both the Foothills Recreation and Aquatic Center and the Glendale Adult Center and develop all discovery information into initial Discovery Report for review by key stakeholders and integrate into the Market Analysis and final Executive Summary.
- Schedule coordination with key leaders the “in facility” weekly meetings for the Discovery and Primary Market Area Study Initiatives.
- Review the past three (3) years in financial and service constituency reports and develop trends, indicators and findings and integrate into final Discovery Document.
- Present and review the final Discovery Document to the Executive Director of Parks, Recreation and Library Services and secure feedback, additions, revisions and approvals to integrate into final Market Analysis and Plan Document

### **2. Data Analytic Initiative: Constituency, Financial, Pricing, Benchmarking**

- Complete a “Baseline” Data Analytic Matrix Document for the purpose of including all the key performance indicators respective of each center. Integrate the relevant analytics from the Discovery Initiative into the new Baseline Data Analytic Matrix (See Sample)
- Complete individual Primary Market Analysis (PMA Study) studies on the Foothills Recreation and Aquatic Center and the Glendale Adult Center (See Next Initiative and Samples presented at interview session).
- Review the PMA studies final reports with the Executive Director, Parks, Recreation and Library Services, and key stakeholders Integrate final market data analytics and findings into the Data Analytic Matrix Document for continued reference.
- Complete a “Benchmark” Study of other comparable Community Recreation Center facilities and Adult Centers with similar demographics and facility models as in Glendale
- Develop the Benchmark Study into a final Executive Summary Document, review with the Executive Director of Parks, Recreation and Library Services and other key leadership stakeholders for feedback, revisions, additions and inclusions into the final Market Analysis Report.
- Develop for consideration a NEW “Community Recreation Center Partnership Plan with other kindred centers with the City of Glendale and allow their centers access to the Benchmark Study for a TBD fee basis to become a future revenue initiative for PRLS for the city (Expand More on this in the Interview Phase).
- Complete a “Pricing” study with both the Foothills Recreation and Aquatic Center and the Glendale Adult Center with historical as well as benchmark pricing and performance data from kindred centers Develop a Pricing Matrix Analysis Document complete with findings and recommendations. Integrate findings into the final Recommendations Document fully integrating the strategic importance of phasing any pricing initiatives.
- Similarly, complete a “Financial” performance matrix complete with historical performance analytics in the key revenue, expense, constituency and drivers for the financial performance of both individual facilities; integrate the benchmark data from the Benchmark Study from other kindred centers; integrate the Primary Market Area (PMA) study data as well.
- Review the comprehensive Data Analytic Initiative with the Executive Director, Parks, Recreation and Library Services and key leadership stakeholders for feedback, additions, revisions and inclusion into the final Market Analysis and Recommendations Document

### **3. Primary Market Area Study Initiative**

- A Primary Market Area (PMA study) study is a geo-demographic and psychographic profile of both the community market area for each center as well as the profile of the existing “users” and/or “members.” (I will review sample at interview session)
- Benchmark the PMA study for each center with other comparable community centers and kindred providers for comparative key indicators for future planning performance.
- Present separately the review and approval for the two PMA studies with the Executive Director, Parks, Recreation, and Library Services and key leadership stakeholders for feedback, additions, changes and for any immediate operation initiatives that may be timely considered.
- Consider other study parameters key leadership may want to consider into this initiative and integrate into final PMA study plans.
- Integrate the major findings and market study indicators into the “Baseline” Matrix Document and into the final Market Analysis and Recommendations Document.

### **4. Community Recreation Centers’ and Adult Centers’ Benchmarking Initiative**

- Develop for preliminary review and approval a “Benchmark Study” on other comparable Community Recreation and Adult Centers and execute on behalf the City of Glendale.
- Collaboratively with city leadership identify community centers that will be included in the Benchmark Study
- Develop collaboratively in the Discovery Initiative the key benchmarking indicators respective of both the Foothills Recreation and Aquatic Center and the Glendale Adult Center and integrate into the final benchmarking study
- Review the Benchmark Study with the Executive Director, Parks, Recreation and Library Services and key leadership stakeholders for additions, changes and approvals; integrate final report into the final Market Analysis and Recommendations Document.
- “Consider” an innovative opportunity for other communities to participate in the Benchmarking Study provided they support fund the study and in return they have access to the final study with implications for their centers (More on this option at the interview session)

### **5. Community Centers’ Partnership and Collaboration Initiative**

- Complete within the Discovery Initiative the identification of any and all community and kindred organization collaborations relative to the Foothills Recreation and Aquatic Center and the Glendale Adult Center; identify the unique collaboration relationships and the implications for each in the future planning process.
- Develop a “Glendale Community Organization and Institution Environmental Scan” exercise (more on this at our interview session) designed to identify all the future potential collaboration opportunities for the Foothills Recreation and Aquatic Center and the Glendale Adult Center.
- Insure the “Benchmark Initiative” on other centers includes reporting and identifying existing unique community collaborations that may have future planning implications for both the Foothills Recreation and Aquatic Center and the Glendale Adult Center.
- Specifically, continue to explore the future opportunities for the Foothills Recreation and Aquatic Center in the Sports Collaborative and the Silver Sneakers Collaborative.
- Consider the Community Centers’ Partnership and Collaboration Initiative as a future strategic funding resource to support the existing community service missions for both the Glendale Adult Center and the Foothills Recreation and Aquatic Center (I will expand on this emerging opportunity)
- Develop in the final Market Analysis and Recommendations Document initial recommendations on the BEST collaboration for each center for the short term immediate operation traction

**6. Chart of Work Initiative:**

- Since the Scope of the Market Analysis includes a six (6) month engagement inclusive of significant study and report initiatives, I will develop a Chart of Work Plan complete with timelines, reporting processes, performance expectations and benchmarking versus expectations.
- Complete a monthly report to the Executive Director, Parks, Recreation and Library Services on progress on the Chart of Work Plan; follow up with additional actions developed within the monthly reporting process from leadership.
- Revise the Chart of Work Plan as needed based upon the performance on the respective success indicators and timeline.

**7. Formal Market Analysis and Recommendation Initiative**

- Complete a comprehensive quality formal presentation on the final Market Analysis and Recommendations Document in Presentation Format
- Provide the City of Glendale copies on an as needed basis.
- Develop one Master Copy complete with supporting exhibits from the Discovery, Data Analytic, Primary Market Area Study, Benchmarking, Community Partnership and Collaboration Initiatives and all other relevant exhibits.
- Final Market Analysis and Recommendations Presentation will focus on "real time" short term as well as long term strategies and initiatives that can be considered and timely executed by both the Foothills Recreation and Aquatic Center and the Glendale Adult Center for benchmark performance results by year end.

**8. Presentation Initiative:**

- Ron Chambless, Senior Consultant, will formally meet and present the final Market Analysis and Recommendations Presentation to the City of Glendale Parks, Recreation and Library Services key leadership stakeholders both in individual sessions as well as a team session and as needed.
- The final Presentation Plan will be scheduled in June 2014 with follow up presentations and action plans based upon review, feedback and approvals.

**Terms in the Senior Consulting Services Agreement:**

- The term for the Senior Consulting Services Agreement is six (6) months, January 13, 2014 – July 15, 2014.
- The monthly fee for this term is \$2,500 per month (Rate Based Upon \$100\hr@25 hrs\month.
- Fee includes all expenses for travel, supplies, studies and reports
- Cancellation provision for 30 days notice after the first three (3) months of service.
- Ron Chambless, Senior Consultant, will invoice monthly services with payment due by month end of invoice date.
- Ron Chambless, Senior Consultant, will provide a renewal opportunity for the City of Glendale Parks, Recreation and Library Services to continue the professional consulting engagement based upon the formal decision to move forward in the execution plans for any strategies and initiatives that may be timely for each center

**Ron Chambless, Senior Consultant, Guarantee and Request Provision:**

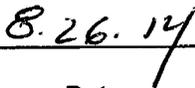
- Ron Chambless, Senior Consultant, (Bio Attached) will provide a community leadership guarantee for the quality of services and a performance results as per this professional consulting services agreement. There is a significant confidence level that the Foothills Recreation and Aquatic Center can perform within one fiscal year at the 108% Cost Recovery baseline.
- Ron Chambless, Senior Consultant, respectfully submits consideration to the City of Glendale to become the Strategic Plan Consultant for the Parks, Recreation and Library Services for the future Strategic Plan

**References for the City of Glendale**

1. George Scobas, President & CEO, Valley of the Sun YMCA
2. Dane Woll, President & CEO, YMCA of Southern Arizona
3. Patrick Banger, Town Manager, Town of Gilbert, Arizona
4. Jeff Turner, partner/owner, ABACUS, construction management, Board Member, YMCA
5. Other References Available, as needed

**Approvals**

  
\_\_\_\_\_  
City of Glendale  
Parks, Recreation and Library Services

  
\_\_\_\_\_  
Date

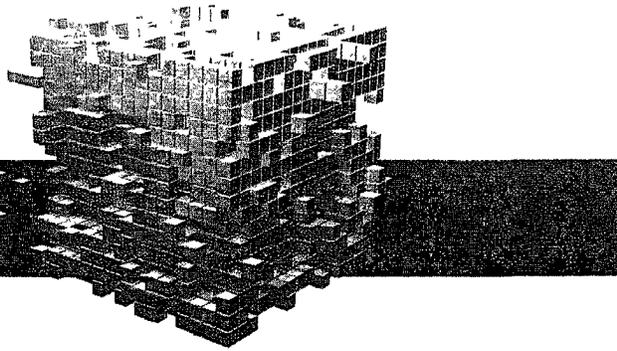
\_\_\_\_\_  
Ron Chambless, Senior Consultant  
Kanet Productions, Inc.

\_\_\_\_\_  
Date

*Attachment. Ron Chambless, Business Biography*

30600 N Pima Road  
#182  
Scottsdale, AZ 85266

7417  
5



**Kanet Productions Inc**  
Strategic Business Consulting

## **Ron Chambless** **President**

### **Strategic Planning/Business Consultant**

28 years experience in YMCA operations,  
strategic planning, business and marketing planning

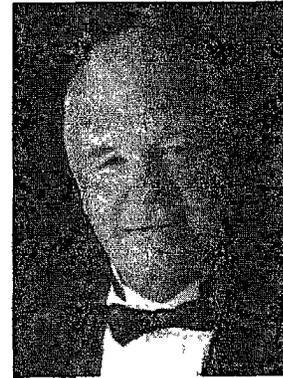
12 years with **Kanet Productions Inc.**

#### *Sampling of clients:*

- YMCA's nationally
- Non-Profit Organizations
- Municipal Recreation Centers
- Medical Wellness Associations
- Jewish Community Centers
- Professional Commercial Developers

#### *Service Skills:*

- Product/Service Positioning Strategy
- Membership Development
- Financial Development
- Market Research Analysis
- Communications Strategy
- Financing Strategy
- Strategic Planning
- Business Planning



Mr. Chambless has held the title of President and Chief Operating Officer for a number of YMCA Associations throughout the country in his 28 years with the YMCA. In these roles, he developed a national YMCA Marketing Alliance which included fundraising, advertising concepts, market research, sales and membership growth strategies. In 2001, he joined Kanet Productions Inc. as Partner and President. He has orchestrated numerous business alliances and funding sources working with businesses and government agencies, and is recognized nationally as a Non-Profit Strategic Planning and Business Consultant. Ron has developed a Community Partnership Model strategically partnering major municipality community recreation centers with other kindred non-profit partners achieving significant economy of scale savings for all partners.

**EXHIBIT C**  
**Professional Services Agreement**

SCHEDULE

Not Applicable

**EXHIBIT D**  
**Professional Services Agreement**

**COMPENSATION**

**METHOD AND AMOUNT OF COMPENSATION**

**NOT-TO-EXCEED AMOUNT**

The total amount of compensation paid to Consultant for full completion of all work required by the Project during the entire term of the Project must not exceed \$15,000.

**DETAILED PROJECT COMPENSATION**

Monthly payments for \$2,500 for six months or until project completion.

**EXHIBIT E**  
**Professional Services Agreement**

DISPUTE RESOLUTION

**1. Disputes.**

- 1.1 Commitment. The parties commit to resolving all disputes promptly, equitably, and in a good-faith, cost-effective manner.
- 1.2 Application. The provisions of this Exhibit will be used by the parties to resolve all controversies, claims, or disputes ("Dispute") arising out of or related to this Agreement-including Disputes regarding any alleged breaches of this Agreement.
- 1.3 Initiation. A party may initiate a Dispute by delivery of written notice of the Dispute, including the specifics of the Dispute, to the Representative of the other party as required in this Agreement.
- 1.4 Informal Resolution. When a Dispute notice is given, the parties will designate a member of their senior management who will be authorized to expeditiously resolve the Dispute.
  - a. The parties will provide each other with reasonable access during normal business hours to any and all non-privileged records, information and data pertaining to any Dispute in order to assist in resolving the Dispute as expeditiously and cost effectively as possible;
  - b. The parties' senior managers will meet within 10 business days to discuss and attempt to resolve the Dispute promptly, equitably, and in a good faith manner, and
  - c. The Senior Managers will agree to subsequent meetings if both parties agree that further meetings are necessary to reach a resolution of the Dispute.

**2. Arbitration.**

- 2.1 Rules. If the parties are unable to resolve the Dispute by negotiation within 30 days from the Dispute notice, and unless otherwise informal discussions are extended by the mutual agreement, the Dispute will be decided by binding arbitration in accordance with Construction Industry Rules of the AAA, as amended herein. Although the arbitration will be conducted in accordance with AAA Rules, it will not be administered by the AAA, but will be heard independently.
  - a. The parties will exercise best efforts to select an arbitrator within five business days after agreement for arbitration. If the parties have not agreed upon an arbitrator within this period, the parties will submit the selection of the arbitrator to one of the principals of the mediation firm of Scott & Skelly, LLC, who will then select the arbitrator. The parties will equally share the fees and costs incurred in the selection of the arbitrator.
  - b. The arbitrator selected must be an attorney with at least 15 years' experience with commercial construction legal matters in Maricopa County, Arizona, be independent, impartial, and not have engaged in any business for or adverse to either Party for at least 10 years.
- 2.2 Discovery. The extent and the time set for discovery will be as determined by the arbitrator. Each Party must, however, within 10 days of selection of an arbitrator deliver to the other Party copies of all documents in the delivering party's possession that are relevant to the dispute.

- 2.3 Hearing. The arbitration hearing will be held within 90 days of the appointment of the arbitrator. The arbitration hearing, all proceedings, and all discovery will be conducted in Glendale, Arizona unless otherwise agreed by the parties or required as a result of witness location. Telephonic hearings and other reasonable arrangements may be used to minimize costs.
- 2.4 Award. At the arbitration hearing, each Party will submit its position to the arbitrator, evidence to support that position, and the exact award sought in this matter with specificity. The arbitrator must select the award sought by one of the parties as the final judgment and may not independently alter or modify the awards sought by the parties, fashion any remedy, or make any equitable order. The arbitrator has no authority to consider or award punitive damages.
- 2.5 Final Decision. The Arbitrator's decision should be rendered within 15 days after the arbitration hearing is concluded. This decision will be final and binding on the Parties.
- 2.6 Costs. The prevailing party may enter the arbitration in any court having jurisdiction in order to convert it to a judgment. The non-prevailing party will pay all of the prevailing party's arbitration costs and expenses, including reasonable attorney's fees and costs.

3. **Services to Continue Pending Dispute.** Unless otherwise agreed to in writing, Consultant must continue to perform and maintain progress of required Services during any Dispute resolution or arbitration proceedings, and City will continue to make payment to Consultant in accordance with this Agreement.

4. **Exceptions.**

- 4.1 Third Party Claims. City and Consultant are not required to arbitrate any third-party claim, cross-claim, counter claim, or other claim or defense of a third party who is not obligated by contract to arbitrate disputes with City and Consultant.
- 4.2 Liens. City or Consultant may commence and prosecute a civil action to contest a lien or stop notice, or enforce any lien or stop notice, but only to the extent the lien or stop notice the Party seeks to enforce is enforceable under Arizona Law, including, without limitation, an action under A.R.S. § 33-420, without the necessity of initiating or exhausting the procedures of this Exhibit.
- 4.3 Governmental Actions. This Exhibit does not apply to, and must not be construed to require arbitration of, any claims, actions or other process filed or issued by City of Glendale Building Safety Department or any other agency of City acting in its governmental permitting or other regulatory capacity.