CITY CLERK
ORIGINAL

C-10915
06/14/2016

AGREEMENT BETWEEN THE GREATER PHOENIX ECONOMIC COUNCIL AND THE CITY OF GLENDALE

City Contract No. 10915

The City Council of the CITY OF GLENDALE, a municipal corporation (the "City"), has approved participation in and support of the regional economic development program of the GREATER PHOENIX ECONOMIC COUNCIL ("GPEC"), an Arizona non-profit corporation. The purpose of this agreement ("Agreement") is to set forth the regional economic development program that GPEC agrees to undertake, the support that the City agrees to provide, the respective roles of GPEC and the City and the payments of the City to GPEC for the fiscal year July 1, 2016 - June 30, 2017 ("FY2017").

NOW, THEREFORE, in consideration of the mutual promises contained herein, the CITY and GPEC agree as follows:

I. RESPONSIBILITIES OF GPEC

A. **MISSION:** GPEC works to attract quality businesses to the Greater Phoenix Region from around the world, and advocate and champion foundational effects to improve the region's competitiveness.

B. **GOALS**: GPEC is guided by and strategically focused on two specific long-range goals:

1. Marketing the region to generate qualified business/industry prospects in targeted economic clusters.

2. Leveraging public and private allies and resources to locate qualified prospects, improve overall competitiveness, and sustain organizational vitality.

C. **RETENTION AND EXPANSION POLICY:**

1. GPEC's primary role is developing the Greater Phoenix region's market intelligence strategy for high wage, base industry clusters in coordination with representatives of GPEC member communities.

2. Retention and expansion of existing businesses within GPEC member communities is primarily a local issue.

3. GPEC will support its member communities' efforts to retain and expand existing businesses through coordinating regional support and providing research on key retention and expansion projects.

4. GPEC will advise its member communities when an existing company contacts GPEC regarding a retention or expansion issue, subject to any legal or contractual non-disclosure obligations.

D. **ACTION PLAN AND BUDGET:** In accordance with the Mission, Goals and Retention Policy set forth above and subject to the availability of adequate funding, GPEC shall implement the Action Plan and Budget adopted by GPEC's Board of Directors, a copy of which has been delivered to the City, receipt of which is hereby acknowledged. A copy of the Action Plan is attached hereto as **Exhibit A** ("GPEC Action Plan"). The City shall be informed of any changes in the adopted Action Plan which will materially affect or alter the priorities established therein. Such notification will be in writing and will be made prior to implementation of such changes. Notwithstanding the foregoing, the City acknowledges and agrees that GPEC may, in its reasonable judgment in accordance with its

own practices and procedures, substitute, change, reschedule, cancel or defer certain events or activities described in the Action Plan as required by a result of changing market conditions, funding availability, unforeseen expenses or other circumstances beyond GPEC's reasonable control. GPEC shall solicit the input of the City on the formulation of future marketing strategies and advertisements. The Action Plan will be revised to reflect any agreed upon changes to the Action Plan.

E. PERFORMANCE TARGETS:

1. Specific performance targets, established by GPEC's Executive Committee and Board of Directors, are attached hereto as **Exhibit B** ("GPEC Performance Measures") and shall be used to evaluate and report progress on GPEC's implementation of the Action Plan. In the event of changing market conditions, funding availability, unforeseen expenses or other circumstances beyond GPEC's reasonable control, these performance targets may be revised with the City's prior written approval, or with the prior written approval of a majority of the designated members of GPEC's Economic Development Directors Team ("EDDT"). GPEC will provide monthly reports to the City discussing in detail its progress in implementing the Action Plan as well as reporting the numerical results for each performance measurement set forth in Exhibit B. GPEC shall provide a copy of its annual external audit for the preceding fiscal year to the City no later than December 31, 2016.

2. In the case of any benchmark which is not met, GPEC will meet with the EDDT to provide an explanation of the relevant factors and circumstances and discuss the approach to be taken in order to achieve the target(s). Failure to meet a performance target will not, by itself, constitute an event of default hereunder unless GPEC (i) fails to inform the City of such event or (ii) fails to meet with EDDT to present a plan for improving its performance during the balance of the term of the Agreement will constitute an event of default for which the City may terminate this Agreement pursuant to paragraph IV.J. below.

II. RESPONSIBILITIES OF THE CITY

A. STAFF SUPPORT OF GPEC EFFORTS: The City shall provide staff support to GPEC's economic development efforts as follows:

1. The City shall respond to leads or prospects referred by GPEC in a professional manner within the time frame specified by the lead or prospect if the City desires to compete and if the lead is appropriate for the City. When available, the City agrees to provide its response in the format developed jointly by EDDT and GPEC;

2. The City shall provide appropriate local hospitality, tours and briefings for prospects visiting sites in the City;

3. The City shall provide an official economic development representative to represent the City on the EDDT, which advises GPEC's President and CEO;

4. The City shall cooperate in the implementation of GPEC/EDDT process improvement recommendations including the use of common presentation formats, exchange of information on prospects with GPEC's staff, the use of shared data systems, land and building data bases and private sector real estate industry interfaces;

5. The City shall use its best efforts to respond to special requests by GPEC for particularized information about the City within three business days after the receipt of such request;

6. In order to enable GPEC to be more sensitive to the City's requirements, the City shall, at its sole option, deliver to GPEC copies of any City approved economic development strategies,

work plan, programs and evaluation criteria. GPEC shall not disclose the same to the other participants in GPEC or their representatives;

7. The City shall utilize its best good faith efforts to cause an economic development professional representing the City to attend all marketing events and other functions to which the City has committed itself; and

8. The City agrees to work with GPEC to improve the City's competitiveness and market readiness to support the growth and expansion of the targeted industries as identified for the City in **Exhibit C** ("Targeted Industries").

B. **RECOGNITION OF GPEC:** The City agrees to recognize GPEC as the City's officially designated regional economic development organization for marketing the Greater Phoenix region.

III. ADDITIONAL AGREEMENTS OF THE PARTIES

A. **PARTICIPATION IN MARKETING EVENTS AND PROVISION OF TECHNICAL ASSISTANCE:** Representative(s) of the City shall be entitled to participate in GPEC's marketing events provided that such participation shall not be at GPEC's expense. When requested and appropriate, GPEC will use its best efforts to provide technical assistance and support to City economic development staff for business location prospects identified and qualified by the City and assist the City with presentations to the prospect in the City or their corporate location.

B. **COMPENSATION:**

1. The City agrees to pay **$103,227.00** for services to be provided by GPEC pursuant to the Agreement during the fiscal year ending on June 30, 2017, as set forth in this Agreement. This amount is based on approximately $.4397 per capita, based upon the 2015 Office of Employment and Population Statistics, Arizona Department of Administration population estimates, which listed the City as having a population of **234,766**. The payment by the City may, upon the mutual and discretionary approval of the board of directors of GPEC and the City Council, be increased or decreased from time to time during the term hereof in accordance with the increases or decreases of general application in the per capita payments to GPEC by other municipalities which support GPEC.

2. Funding of this Agreement shall be subject to the annual appropriations of funds for this activity by the City Council pursuant to the required budget process of the City.

3. Nothing herein shall preclude the City from contracting separately with GPEC for services to be provided in addition to those to be provided hereunder, upon terms and conditions to be negotiated by the City and GPEC.

4. GPEC shall submit invoices for payment on a quarterly basis. The foregoing notwithstanding, if GPEC has not provided the City with the audit required pursuant to paragraph I.E. above no later than December 31, 2016, no payments shall be made hereunder until the City receives the audit report. Invoices and monthly activity reports, substantially in the form of **Exhibit D** ("Reporting Mechanism for Contract Fulfullment") attached hereto, are to be submitted to the address listed under paragraph IV.P.

C. **COOPERATION:**

1. The parties acknowledge that GPEC is a cooperative organization effort among GPEC and its member communities. Accordingly, the City and GPEC covenant and agree to work together in a productive and harmonious manner, to cooperate in furthering GPEC's goals for FY2017. The City and GPEC further covenant and agree to comply with the Regional Cooperation Protocol, attached hereto as **Exhibit F**, in all material respects.

2. The City agrees to work with GPEC, as necessary or appropriate, to revise the performance measures, and/or benchmarks, and/or goals for the FY2018 contract.

3. The City agrees to work with GPEC during FY2017 to develop a revised public sector funding plan, including a regional allocation formula for FY2018, if determined to be necessary or appropriate.

IV. GENERAL PROVISIONS

A. COVENANT AGAINST CONTINGENT FEES: GPEC warrants that no person or selling agent has been employed or retained to solicit or secure this Agreement upon an agreement or understanding for a commission, percentage, brokerage, or contingent fee. For a breach or violation of this warranty, the City shall have the right to terminate this Agreement without liability or, in its discretion, to deduct the commission, brokerage or contingent fee from its payment to GPEC.

B. PAYMENT DEDUCTION OFFSET PROVISION: GPEC recognizes the provisions of the City Code of the City of Glendale which require and demand that no payment be made to any contractor as long as there is any outstanding obligation due to the City, and directs that any such obligation be offset against payment due to GPEC.

C. ASSIGNMENT PROHIBITED: No party to this agreement may assign any right or obligation pursuant to this Agreement. Any attempted or purported assignment of any right or obligation pursuant to this Agreement shall be void and no effect.

D. INDEPENDENT CONTRACTOR; NO AGENCY: Nothing contained in this Agreement creates any partnership, joint venture or agency relationship between the City and GPEC. At all times during the term of this Agreement, GPEC shall be an independent contractor and shall not be an employee of City. City shall have the right to control GPEC only insofar as to the results of GPEC's services rendered pursuant to this Agreement. GPEC shall have no authority, express or implied, to act on behalf of City in any capacity whatsoever as an agent. GPEC shall have no authority, express or implied, pursuant to this Agreement to bind City to any obligation whatsoever.

E. INDEMNIFICATION AND HOLD HARMLESS:

1. During the term of this Agreement, GPEC shall indemnify, defend, hold, protect and save harmless the City and any and all of its Council members, officers and employees from and against any and all actions, suits, proceedings, claims and demands, loss, liens, costs, expense and liability of any kind and nature whatsoever, for injury to or death of persons, or damage to property, including property owned by City, brought, made, filed against, imposed upon or sustained by the City, its officers, or employees in and arising from or attributable to or caused directly or indirectly by the negligence, wrongful acts, omissions or from operations conducted by GPEC, its directors, officers, agents or employees acting on behalf of GPEC.

2. Any party entitled to indemnity shall notify GPEC in writing of the existence of any claim, demand or other matter to which GPEC's indemnification obligations would apply, and shall give to GPEC a reasonable opportunity to defend the same at its own expense and with counsel reasonably satisfactory to the indemnified party.

3. Nothing in this Subsection E shall be deemed to provide indemnification to any indemnified party with respect to any liabilities arising from the fraud, negligence, omissions or willful misconduct of such indemnified party.

F. **INSURANCE:** GPEC shall procure and maintain for the duration of this Agreement, at GPEC's own cost and expense, insurance against claims for injuries to persons or damages to property which may arise from or in connection with this Agreement by GPEC, its agents, representatives, employees or contractors, in accordance with the Insurance Requirements set forth in **Exhibit E** ("Insurance Requirements"), attached hereto. The City acknowledges that it has received and reviewed evidence of GPEC's insurance coverage in effect as of the execution of this Agreement.

G. **GRATUITIES.** The City may, by written notice to GPEC, terminate the right of GPEC to proceed under this Agreement upon one (1) calendar day notice, if it is found that gratuities in the form of entertainment, gifts, or otherwise were offered or given by GPEC, or any agent or representative of GPEC, to any officer or employee of the City with a view toward securing a contract or securing favorable treatment with respect to the awarding or amending, or the making of any determinations with respect to the performance of such contract; provided that the existence of the facts upon which the City makes such findings shall be an issue and may be reviewed in any competent court. In the event of such termination, the City shall be entitled to pursue all legal and equitable remedies against GPEC available to the City.

H. **EQUAL EMPLOYMENT OPPORTUNITY.** During the performance of this Agreement, GPEC agrees as follows:

1. GPEC will not discriminate against any employee or applicant for employment because of race, color, religion, gender, sexual orientation, national origin, age or disability. GPEC shall take affirmative action to ensure that applicants are employed, and that employees are treated during employment without regard to their race, color, religion, gender, sexual orientation, national origin, age or disability. Such action shall include, but not be limited to, the following: employment, upgrading, demotion or transfer, recruitment or recruitment advertising, layoff or termination, rates of pay or other forms of compensation, and selection for training, including apprenticeship. GPEC agrees to post in conspicuous places, available to employees and applicants for employment, notices setting forth the provisions of this nondiscrimination clause.

2. GPEC will, in all solicitations or advertisements for employees place by or on behalf of GPEC, state that all qualified applicants will receive consideration for employment without regard to race, color, religion, gender, sexual orientation, national origin, age or disability.

3. GPEC will cause the foregoing provisions to be inserted in all subcontracts for any work covered by this Agreement, provided that the foregoing provisions shall not apply to agreements or subcontracts for standard commercial supplies or new materials.

4. Upon request by the City, GPEC shall provide City with information and data concerning action taken and results obtained in regard to GPEC's Equal Employment Opportunity efforts performed during the term of this Agreement. Such reports shall be accomplished upon forms furnished by the City or in such other format as the City shall prescribe.

I. **COMPLIANCE WITH FEDERAL AND STATE LAWS REQUIRED.** GPEC understands and acknowledges the applicability of the Immigration Reform and Control Act of 1986 and the Drug Free Workplace Act of 1989 and agrees to comply therewith in performing under any resultant agreement and to permit City inspection of its records to verify such compliance.

1. GPEC, and on behalf of any subcontractor GPEC has engaged to perform work for the City under this Agreement, warrants, to the extent applicable under A.R.S. § 41-4401, compliance with all applicable federal immigration laws and regulations that relate to its employees as well as compliance with A.R.S. § 23-214(A) which requires registration and participation with the E-Verify Program.

2. GPEC understands and acknowledges that any breach of warranty under subsection I(1) above is considered a material breach of this Agreement and is subject to penalties up to and including termination of this Agreement.

3. The City retains the legal right to inspect the papers of GPEC or any subcontractor who performs work for the City under this Agreement to ensure that GPEC or any such subcontractor is compliant with the warranty under subsection I(1) above.

4. City may conduct random inspections, and upon request of the City, GPEC shall provide copies of papers and records demonstrating continued compliance with the warranty under subsection I(1) above. GPEC agrees to keep papers and records available for inspection by the City during normal business hours and will cooperate with City in the City's exercise of its statutory duties and not deny access to GPEC's business premises or applicable papers or records for the purposes of enforcement of this subsection.

5. GPEC agrees to incorporate into any subcontracts in performance of work under this Agreement the same obligations imposed upon itself and expressly accrue those obligations directly to the benefit of the City. GPEC also agrees to require any such subcontractor to incorporate into each of its own subcontracts in performance of work under this Agreement the same obligations above and expressly accrue those obligations to the benefit of the City.

6. GPEC's warranty and obligations under this entire subsection I 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 is no longer a requirement.

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.

8. GPEC certifies, under A.R.S. §§ 35-391 et seq., and 35-393 et seq., that it does not have "scrutinized" business operations, as defined in the preceding statutory sections, in the countries of Sudan or Iran.

J. **TERMINATION.** City shall have the right to terminate this Agreement if GPEC shall fail to duly perform, observe or comply with any covenant, condition or agreement on its part under this Agreement and such failure continues for a period of 30 days (or such shorter period as may be expressly provided herein) after the date on which written notice requiring the failure to be remedied shall have been given to GPEC by the City; provided, however, that if such performance, observation or compliance requires work to be done, action to be taken or conditions to be remedied which, by their nature, cannot reasonably be accomplished within 30 days, no event of default shall be deemed to have occurred or to exist if, and so long as, GPEC shall commence such action within that period and diligently and continuously prosecute the same to completion within 90 days or such longer period as the City may approve in writing. The foregoing notwithstanding, in the event of circumstances which render GPEC incapable of providing the services required to be performed hereunder, including, but not limited to, insolvency or an award of monetary damages against GPEC in excess of its available insurance coverage and assets, the City may immediately and without further notice terminate this Agreement.

K. **RESPONSIBILITY FOR COMPLIANCE WITH LEGAL REQUIREMENTS.** GPEC's performance hereunder shall be in material compliance with all applicable federal, state and local health, environmental, and safety laws, regulations, standards, and ordinances in effect during the performance of this Agreement.

L. **INSTITUTION OF LEGAL ACTIONS.** Any legal actions instituted pursuant to this Agreement must be filed in the county of Maricopa, State of Arizona, or in the Federal District Court in the District of Arizona. In any legal action, the prevailing party in such action will be entitled to reimbursement by the other party for all costs and expenses of such action, including reasonable attorneys' fees as may be fixed by the Court.

M. **APPLICABLE LAW.** Any and all disputes arising under any Agreement to be awarded hereunder or out of the proposals herein called for, which cannot be administratively resolved, shall be tried according to the laws of the State of Arizona, and GPEC shall agree that the venue for any such action shall be in the State of Arizona.

N. **CONTINUATION DURING DISPUTES.** GPEC agrees that, notwithstanding the existence of any dispute between the parties, each party shall continue to perform the obligations required of it during the continuation of any such dispute, unless enjoined or prohibited by an Arizona court of competent jurisdiction.

O. **CITY REVIEW OF GPEC RECORDS.** GPEC must keep all Agreement records separate and make them available for audit by City personnel upon request.

P. **NOTICES.**

1. Any notice, consent or other communication required or permitted under this Agreement shall be in writing and shall be deemed received at the time it is personally delivered, on the day it is sent by facsimile transmission, on the second day after its deposit with any commercial air courier or express service or, if mailed, three (3) days after the notice is deposited in the United States mail addressed as follows:

If to City:
Brian Friedman
Economic Development Director
City of Glendale
5850 West Glendale Avenue
Glendale, Arizona 85301
Phone: (623) 930-2984

with a copy to:
Michael Bailey
City Attorney
City of Glendale
5850 West Glendale Avenue
Glendale, Arizona 85301

If to GPEC:
Chris Camacho
President and Chief Executive Officer
Greater Phoenix Economic Council
Two North Central Avenue, Suite 2500
Phoenix, Arizona 85004-4469
Phone: (602) 256-7700
FAX: (602) 256-7744

2. Any time period stated in a notice shall be computed from the time the notice is deemed received. Either party may change its mailing address or the person to receive notice by notifying the other party as provided in this subsection.

Q. **TRANSACTIONAL CONFLICT OF INTEREST.** All parties hereto acknowledge that this Agreement is subject to cancellation by the City pursuant to the provisions of Section 38-511, Arizona Revised Statutes.

R. **NONLIABILITY OF OFFICIALS AND EMPLOYEES.** No member, official or employee of the City will be personally liable to GPEC, or any successor in interest, in the event of any default or breach by the City or for any amount which may become due to GPEC or successor, or on any obligation under the terms of this Agreement. No member, official or employee of GPEC will be personally liable to the City, or any successor in interest, in the event of any default or breach by the GPEC or for any amount which may become due to the City or successor, or on any obligation under the terms of this Agreement.

S. **NO WAIVER.** Except as otherwise expressly provided in this Agreement, any failure or delay by any party in asserting any of its rights or remedies as to any default, will not operate as a waiver of any default, or of any such rights or remedies, or deprive any such party of its right to institute and maintain any actions or proceedings which it may deem necessary to protect, assert or enforce any such rights or remedies.

T. **SEVERABILITY.** If any provision of this Agreement shall be found invalid or unenforceable by a court of competent jurisdiction, the remaining provisions of this Agreement will not be affected thereby and shall be valid and enforceable to the fullest extent permitted by law, provided that the fundamental purposes of this Agreement are not defeated by such severability.

U. **CAPTIONS.** The captions contained in this Agreement are merely a reference and are not to be used to construe or limit the text.

V. **NO THIRD PARTY BENEFICIARIES.** No creditor of either party or other individual or entity shall have any rights, whether as a third-party beneficiary or otherwise, by reason of any provision of this Agreement.

W. **ENTIRE AGREEMENT, WAIVERS AND AMENDMENTS.**

1. This Agreement may be executed in up to three (3) duplicate originals, each of which is deemed to be an original. This Agreement, including nine (9) pages of text and the below-listed exhibits which are incorporated herein by this reference, constitutes the entire understanding and agreement of the parties.

   Exhibit A – GPEC Action Plan
   Exhibit B – GPEC Performance Measures
   Exhibit C – Targeted Industries
   Exhibit D – Reporting Mechanism for Contract Fulfillment
   Exhibit E – Insurance Requirements
   Exhibit F – Regional Cooperation Protocol

2. This Agreement integrates all of the terms and conditions mentioned herein or incidental hereto, and supersedes all negotiations or previous agreements between the parties with respect to all or any part of the subject matter hereof.

3. All waivers of the provisions of this Agreement must be in writing and signed by the appropriate authorities of the City or GPEC, and all amendments hereto must be in writing and signed by the appropriate authorities of the parties hereto.

IN WITNESS WHEREOF, the parties hereto have executed the Agreement this 14 day of June, 2016.

CITY OF GLENDALE, an Arizona municipal corporation

Kevin Phelps, City Manager

ATTEST:

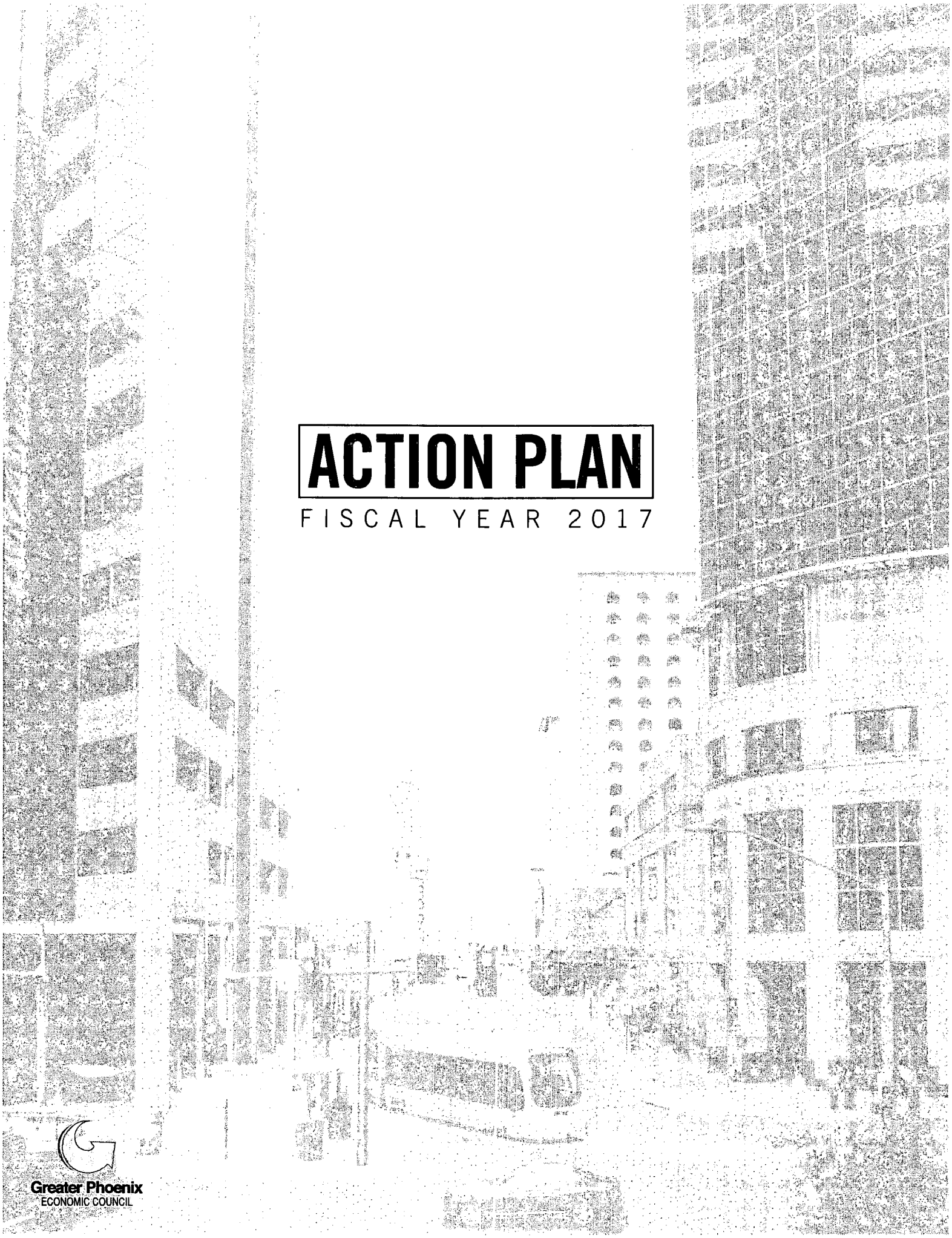
Pamela Hanna, City Clerk (SEAL)

APPROVED AS TO FORM:

Michael Bailey, City Attorney

GREATER PHOENIX ECONOMIC COUNCIL,
an Arizona nonprofit corporation

Chris Camacho
President & Chief Executive Officer



ACTION PLAN

FISCAL YEAR 2017

Greater Phoenix
ECONOMIC COUNCIL

GPEC MISSION

ATTRACT AND GROW QUALITY BUSINESSES AND ADVOCATE FOR GREATER PHOENIX'S COMPETITIVENESS.

A LETTER FROM CHRIS CAMACHO

President & CEO, Greater Phoenix Economic Council

By embracing the opportunities and challenges of a fast-growing region, the Greater Phoenix Economic Council (GPEC) has not only endured but thrived as one of the most effective regional public-private partnerships in the country. With a renewed commitment to regional collaboration and enhanced analytical capabilities, GPEC is once again embarking on an innovative plan to drive quality job creation and deliver value to our member communities and stakeholders.

In FY17, GPEC will begin the work of implementing the FY17-19 Strategic Plan, which outlines strategies for attracting and growing jobs in advanced industries and advocating for the region's competitiveness.

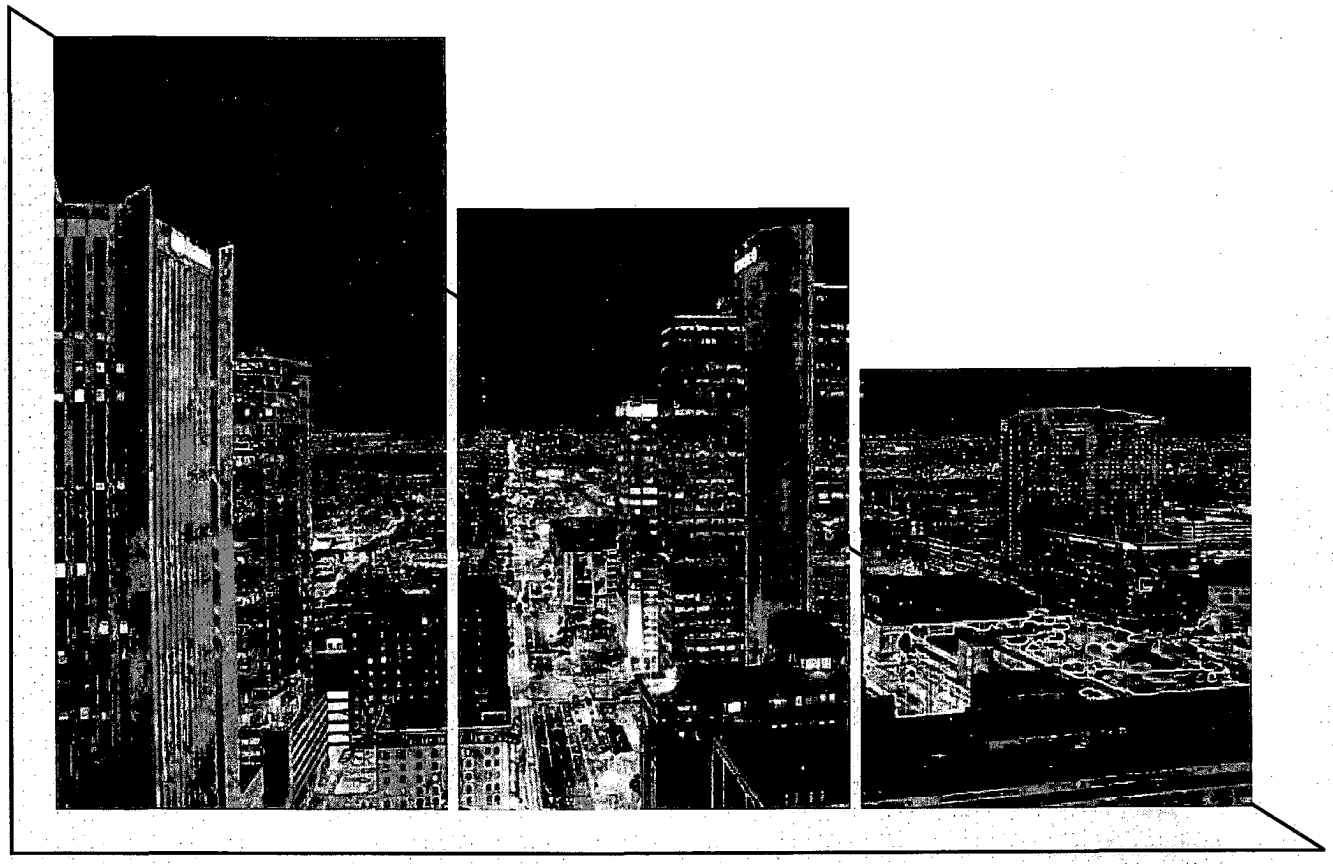
While continuing to meet expectations in job creation and driving return on investment to our stakeholders, we will design and execute projects and initiatives that will transform our economic development practice and elevate the region's competitiveness and reputation.

METRICS

	FY17		
	CONTRACT	**TARGET**	**STRETCH**
Payroll (in Millions)	$305.11	$335.62	$369.18
Jobs	6,556	7,212	7,933
High Wage Jobs[1]	2,491	2,741	3,015
Average High Wage Salary	$51,827	$57,585	$63,344
Qualified Prospects	229	252	277
Qualified International Prospects	38	42	46
GPEC Assists[2]	10	12	14

FOOTNOTES FOR THE METRICS:

1. High Wage Jobs: High wage jobs are those that are over 125% of the Maricopa County Median Wage (currently $44,060).
2. GPEC Assist: Companies that located in the region for which GPEC provided assistance that do not qualify as a locate, due to project size, for example; and would otherwise be listed as "non-reported locates." This replaces the Emerging Tech Assist metric from previous reports to better capture GPEC activities.



BUDGET

REVENUES	FY 2016 FORECAST	% OF TOTAL	FY 2017 BUDGET	% OF TOTAL	FY 2016 BUDGET	$ CHANGE	% CHANGE
Public Funds	$2,272,600	42.4%	$2,302,900	41.8%	$2,271,100	$31,800	1.4%
Private Funds	2,317,500	43.2%	2,545,000	46.2%	2,600,000	(55,000)	(2.1%)
New Pledge Revenue	250,000	4.7%	250,000	4.5%	250,000	-	0.0%
In-Kind Pledges	77,000	1.4%	77,000	1.4%	77,000	-	0.0%
Events & Programs	158,750	3.0%	99,700	1.8%	150,000	(50,300)	(33.5%)
Sponsorships	52,500	1.0%	50,000	0.9%	25,000	25,000	100.0%
Grant Income	234,700	4.4%	185,000	3.4%	212,900	(27,900)	(13.1%)
Other	1,800	0.0%	1,300	0.0%	2,500	(1,200)	(48.0%)
TOTAL REVENUES	**$5,364,850**	**100.0%**	**$5,510,900**	**100.0%**	**$5,588,500**	**$(77,600)**	**(1.4%)**
OPERATING EXPENDITURES							
Business Development	412,600	8.1%	454,600	8.3%	416,400	38,200	9.2%
Marketing	176,700	3.5%	215,100	3.9%	304,100	(89,000)	(29.3%)
External Relations	94,400	1.9%	192,600	3.5%	95,200	97,400	102.3%
Research & Strategy	269,600	5.3%	272,600	5.0%	283,000	(10,400)	(3.7%)
Resource Management	207,000	4.1%	218,200	4.0%	240,400	(22,200)	(9.2%)
Personnel	3,087,400	61.0%	3,318,500	60.9%	3,230,400	88,100	2.7%
Facilities	425,100	8.4%	512,300	9.4%	454,900	57,400	12.6%
In-Kind	77,000	1.5%	77,000	1.4%	77,000	-	0.0%
Events & Programs	140,400	2.8%	190,000	3.5%	140,000	50,000	35.7%
TOTAL OPERATING EXPENDITURES	**4,890,200**	**96.6%**	**5,450,900**	**100.0%**	**5,241,400**	**209,500**	**4.1%**
NON-OPERATING EXPENDITURES							
Grant Expenses	173,500	3.4%	-	0.0%	152,500	(152,500)	(100.0%)
Total Expenses	$5,063,700	100.0%	$5,450,900	100.0%	$5,393,900	$57,000	1.1%
Net Gain (Loss)	$301,150		$60,000		$194,600	$(134,600)	
Less: Capital Expenditures	(81,000)		(287,000)		(95,000)	(192,000)	
Amortization of Deferred Rent	(64,000)		150,000		(63,600)	213,600	
Amortization of Capital Leases	(10,500)		(2,800)		(10,500)	7,700	
Add: Depreciation	26,000		72,600		50,300	22,300	
Changes from Operating Activities	-		42,225		12,400	29,825	
Net Cash Flows	171,650		35,025		88,200	(53,175)	
Beginning Cash	1,669,000		1,840,650		1,765,000	75,650	
ENDING CASH	**$1,840,650**		**$1,875,675**		**$1,853,200**	**$22,475**	

FY17 ACTION ITEMS & THREE-YEAR ROADMAP

The roadmap illustrates alignment of annual goals to GPEC's FY17-19 Strategic Plan. In FY17, annual goals focus on building the foundation for optimized analytics-driven business attraction and expansion, intensifying the foreign direct investment efforts, and coordinating and unifying regional strategies for attracting and retaining the next generation of talent.

	Annual Goals		
STRATEGIC GOALS	FY17	FY18	FY19
1. Attract more scalable enterprises in advanced industries	Intensify out-bound recruitment efforts in California and other key markets through increased direct attraction	Begin transitioning business attraction to analytics-driven model, increasing directly sourced prospects aligned with advanced industry objectives	Fully implement and scale targeted and analytics-driven business attraction model
2. Brand the region as a location of choice for Foreign Direct Investment	Develop regional FDI plan including aftercare program	Implement regional FDI plan and aftercare program	Accelerate FDI program and integrate aftercare program into regional business retention and expansion efforts
3. Partner with cities and towns to enhance local and regional infrastructure and community preparedness	Initiate analysis, case building, and strategic planning with communities and integrate talent attraction and community preparedness into the high impact district work	Continue to support build out of high impact districts	Continue to support build out of high impact districts
4. Engage federal and state policymakers on new economic development and competitiveness concepts	Advance FY16 competitiveness priorities through regional collaboration	Advance competitiveness priorities through regional collaboration	Advance competitiveness priorities through regional collaboration
5. Lead regional effort to advance coordinated workforce development system that satisfies industry needs	Identify critical skills needs by industry and promote meaningful employer engagement with regional workforce development initiatives	Advocate for coordinated and industry-driven regional workforce development system with emphasis on career pathways for middle and high-skilled workers	Advocate for coordinated and industry-driven regional workforce development system with emphasis on career pathways for middle and high-skilled workers

FY17 ACTION ITEMS & MILESTONES

01

INTENSIFY OUT-BOUND RECRUITMENT EFFORTS IN CALIFORNIA AND OTHER KEY MARKETS

GPEC will focus on implementing business development approaches that generate directly sourced prospects and maximize the capabilities of digital media and analytics.

- Implement digital marketing and business development campaigns to increase directly sourced qualified prospects
- Implement the Corporate 100 Program to seek out and engage companies that are poised to grow and expand, and are aligned with the region's assets and clusters
- Conduct domestic and international out-bound business recruitment activities, including attending targeted conferences and sales missions
- Refine an analytics-driven model for business attraction
- Enhance a multiplier approach by leveraging GPEC stakeholders with domestic and international presences and connections
- Host national site selection consultants and CEOs to showcase the region, leveraging national sporting events, spring training, and other high-profile opportunities
- Respond to and manage prospect inquiries and coordinate regional responses to close deals

MEASURES & MILESTONES

- 45% of prospects sourced through direct prospect generation
- Development of a refined analytics-driven business attraction model
- Increased share of advanced industry jobs in targeted sectors
- Establishment of a baseline to measure web leads from digital campaigns

02

DEVELOP A REGIONAL FOREIGN DIRECT INVESTMENT (FDI) PLAN, INCLUDING AN AFTERCARE PROGRAM

A successful FDI plan will drive the region's long-term global brand and attract more quality international investment into the region.

- Develop a cohesive regional FDI plan as part of the Global Cities Initiative, a joint-project of the Brookings Institution and JPMorgan Chase
- Work with a core team of public and private-sector leaders in analyzing the region's assets and opportunities and developing FDI strategies. The GPEC International Leadership Council will provide oversight and engagement with globally oriented organizations and companies
- Design and begin implementing an FDI aftercare program to support foreign-owned firms transitioning to the region

MEASURES & MILESTONES

- Completion of a regional FDI plan aligned with the state's international strategy
- Creation of a FDI aftercare program
- Increased number of international executives on the GPEC International Leadership Council
- New collateral aligned with the FDI plan

03

INITIATE ANALYSIS, CASE BUILDING AND STRATEGIC PLANNING WITH COMMUNITIES AROUND TALENT RETENTION AND ATTRACTION AND COMMUNITY PREPAREDNESS INITIATIVES

Through strategic planning with communities, GPEC will provide the analysis necessary to support community readiness for new investments and long-term sustainable growth.

- Develop and distribute analysis of current employment centers and identify best practices and development tools
- Launch collaborative effort with cities, and private-sector stakeholders to build more robust employment centers through GPEC's Community Partnership Program
- Initiate opportunities for strategic planning, such as infrastructure development for smart cities and high impact districts
- Market high impact districts to retain and attract talent

MEASURES & MILESTONES

- Community Partnership meetings with elected officials and leaders in 100% of GPEC's communities
- Incorporation of high impact district concepts in communities' long-range and strategic plans
- Implementation of a brand campaign around high impact districts
- High level of stakeholder satisfaction

04

ADVANCE COMPETITIVENESS PRIORITIES THROUGH REGIONAL COLLABORATION

In championing the region's competitiveness, GPEC will be collaborative and analytics-driven with a focus on issues that directly impact economic development.

- Continue to advance the top three competitiveness priorities established by the GPEC Competitiveness Council:
  - » Work with the governor's office on policy solutions for return-driven economic development tools
  - » Collaborate with business leaders to increase educational attainment goals
  - » Co-lead with Velocity on a project to establish a center for manufacturing technology
- Analyze the region's competitive position for advanced industry jobs, exports, innovation, and other critical factors that impact the region's economic growth
- Coordinate and collaborate with the Arizona Commerce Authority, the Arizona Chamber of Commerce, and other organizations to advance effective economic development policies

MEASURES & MILESTONES

- Modernization of state and local economic development programs
- Advancement of Tax Allocation District policy
- Launch of an Advanced Manufacturing Technology Center
- Enhanced local media coverage of regional competitiveness issues

05

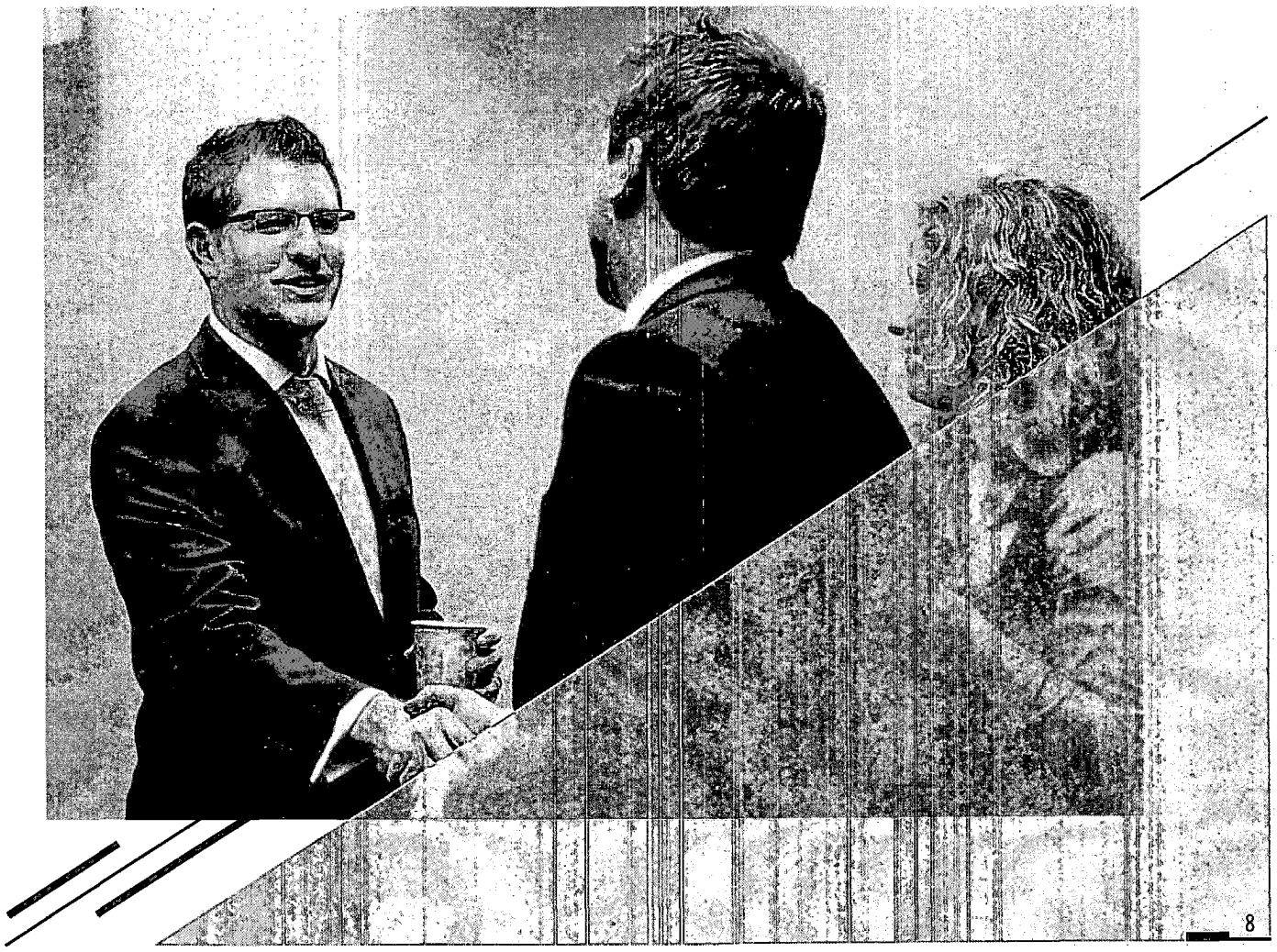
IN COLLABORATION WITH VELOCITY, SUPPORT WORKFORCE DEVELOPMENT EFFORTS THAT ALIGN WITH INDUSTRY NEEDS FOR TALENT AND WORKFORCE.

GPEC will work with Velocity and other partners in workforce development to ensure that the region's companies are able to retain and attract the required talent today; and the programs and collaborations are put in place to ensure a skilled workforce for the future.

- Advocate for a cohesive talent optimization strategy
- Support Velocity through data and analytics as it works with various workforce development initiatives in addressing critical skills needs of advanced industries
- Work with GPEC-assisted locates and other key employers as appropriate to facilitate employer engagement with regional workforce development initiatives, leading to internships, hiring programs, and career pathways for middle and high-skilled workers

MEASURES & MILESTONES

- Alignment of workforce development initiatives across the region
- Development of marketing collateral that promotes workforce development programs in the region
- Implementation of talent optimization platform



STAKEHOLDER ENGAGEMENT

LEADERSHIP COUNCILS AND ADVISORY GROUPS

The collective professional expertise of GPEC's councils and advisory groups helps shape the organization's key initiatives, leverages connections to further job creation and competitiveness efforts, and supports the implementation of programs.

COMPETITIVENESS COUNCIL

Executives of key regional industries will convene and use data analysis and best practices to make policy recommendations that will lead to an improvement in the region's competitive position.

GPEC NEXT LEADERSHIP COUNCIL

Advises GPEC leadership and the board on the development of the strategic plan, annual action plan and metrics and the Washington, D.C. Executive Mission.

MAYORS AND SUPERVISORS COUNCIL

Convenes mayors of GPEC communities and County supervisors for regular updates on strategic initiatives.

ECONOMIC DEVELOPMENT DIRECTORS TEAM

Advises the GPEC President & CEO and staff on local economic development trends, offers insight on the pulse of city and town councils and partners with GPEC to finalize location decisions.

COMMUNITY BUILDING CONSORTIUM*

Applies collective commercial real estate experience to help capture business development opportunities and increase the region's transactional capabilities.

HEALTHCARE LEADERSHIP COUNCIL

Works to advance healthcare and bioscience initiatives for the region and establish Greater Phoenix as a center of excellence anchored by innovative assets and world-class leadership.

INTERNATIONAL LEADERSHIP COUNCIL

Advises on the direction and implementation of GPEC's foreign direct investment efforts, and provides guidance to increase program impacts.

STAKEHOLDER ENGAGEMENT

GOVERNANCE

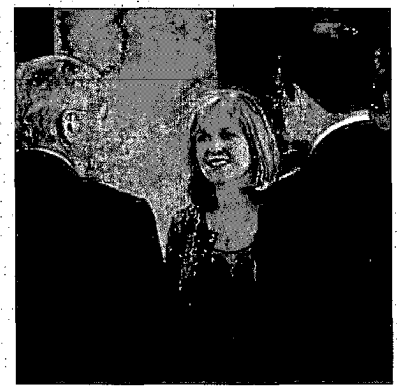
BOARD OF DIRECTORS

Provides oversight of the organization and helps shape GPEC's influence as a regional thought leader.

EXECUTIVE COMMITTEE

Acts on behalf of the Board of Directors, advising on strategic direction and overall performance of annual goals.

BOARD-LEVEL COMMITTEES



PERFORMANCE COMMITTEE

Evaluates the performance of the organization and the President & CEO.

AUDIT COMMITTEE

Assesses internal controls and oversees auditors and the annual audit.

NOMINATING COMMITTEE

Nominates the At-large Directors and Board officers, and recommends candidates to the board for approval, based on nominations received from mayors and supervisors of member communities.

FINANCE COMMITTEE

Sets financial objectives for the organization and recommends the annual budgets as part of the Action Plan.

AMBASSADORS

At the foundation of GPEC's engagement activity are Ambassadors, whose broad range of professional backgrounds lend critical assistance to regional business climate improvement and business development efforts.

Help communicate, educate, and inform stakeholders, policy-makers, citizens and media about key regional economic development issues.

CERTIFIED AMBASSADORS

Ambassadors who have satisfied program criteria, qualifying them to serve as an extension of the GPEC team. Certified Ambassadors are given unique opportunities to interface more closely with GPEC's staff and board on program initiatives and mission-critical efforts.

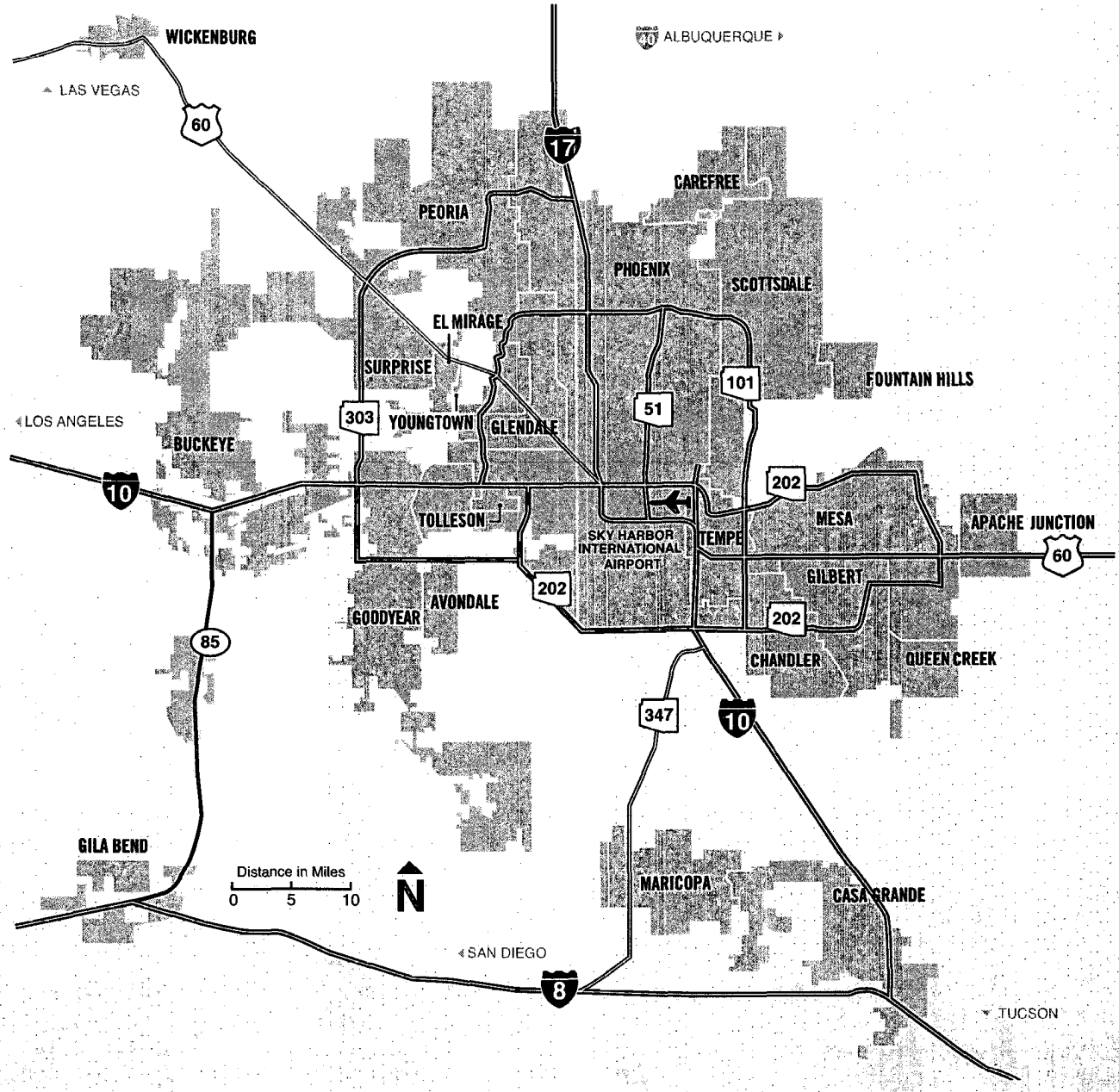
AMBASSADOR STEERING COMMITTEE

Advises on strategic direction of the Ambassadors Program; designs activities relevant to and in support of GPEC's mission; serves as a sounding board for emerging initiatives and supports implementation of programs.

GPEC STAKEHOLDERS

MEMBER COMMUNITIES

Maricopa County	Casa Grande	Gilbert	Peoria	Tempe
Apache Junction	Chandler	Glendale	Phoenix	Tolleson
Avondale	El Mirage	Goodyear	Queen Creek	Wickenburg
Buckeye	Fountain Hills	Maricopa	Scottsdale	Youngtown
Carefree	Gila Bend	Mesa	Surprise	



Current as of 05/18/2016

CHAIRMAN'S COUNCIL

CORPORATE COUNCIL

EXECUTIVE COUNCIL

DIRECTORS' COUNCIL

Alliance Bank of Arizona
American Airlines
Arizona Cardinals
Arizona Diamondbacks
Bank of America
Banner Health
BBVA Compass
Cancer Treatment Centers of America
Dignity Health
DMB Associates
Empire Southwest
Ernst & Young
Freeport McMoRan Copper & Gold
Goodwill of Central Arizona
Grand Canyon University
Intel Corporation
Kitchell
Knight Transportation
Maracay Homes
Mayo Clinic
MidFirst Bank
Mortenson
Northern Trust
OH Partners
Parkway Properties
Phoenix Suns
Polsinelli PC
Quarles & Brady
RED Development
Republic Media
Squire Patton Boggs
University of Phoenix
Valley Metro

LEADERSHIP COUNCIL

Aetna
Alexander Building Company
Atmosphere Commercial Interiors
BDO
Blue Cross Blue Shield of Arizona
BMO Harris Bank
Bryan Cave
Brycon Construction
Caliente Construction
Canyon State Credit Union
CBRE
Celgene Corporation
CenturyLink
Chanen Development Co.
Colliers International
Crescent Crown Distributing
Cushman & Wakefield
D.L. Withers Construction
Daedalus Real Estate Advisors
Deloitte
Deutsch Architecture Group
El Dorado Holdings
Gammage & Burnham
Goodmans Interior Structures
Google
Green Loop Solutions
Hensley
Hines
Honeywell
Infusionsoft
JE Dunn Construction
Jones Lang LaSalle
Kutak Rock
Layton Construction
Lee & Associates
Lewis Roca Rothgerber
LGE Design
Liberty Property Trust
M+W Group
Meritage Homes
Nationwide Realty Investors
Newmark Grubb Knight Frank
Okland Construction
On Q Financial
Opus Development Company
Phoenix Children's Hospital
Renaissance Companies
Ryan Companies
Savills-Studley
Siemens
Skanska USA Building
SmithGroup
Snell & Wilmer
Southwest Gas Corporation
Southwest Airlines
Sunbelt Holdings
The Plaza Companies
Transwestern Commercial Services
Tratt Properties
TriWest Healthcare Alliance
TruPath
Turner Construction
University of Arizona
USAA
ViaWest Group
Ware Maclomb
Waste Management
Weitz Company
Wespac Construction
Willmeng Construction
Wist Office Products
Wood, Patel & Associates

AMBASSADOR COUNCIL

3rd Story Architecture
AAA Arizona
Air Products & Chemicals
Archicon L.C. Architecture
Arizona Business Bank
Arizona Community Foundation
Avnet
Balfour Beatty Construction
BNSF
Bristol Global Mobility
Bury
Cenlar
Central Arizona Commerce Park
CKS Advisors
Clark Hill PLC
Coe & Van Loo Consultants
CORE Construction
Corporate Interior Systems
CoStar Group
Dibble Engineering
Dircks Moving & Logistics
DIRTT
Fervor Creative
Holualoa Companies
Humana
IRIS USA
Jennings, Strouss & Salmon
Johnson Carlier
Keyser
KTAR
Landmark Companies
Macerich
Merit Partners
Midwestern University
MSS Technologies
NRG Thermal
Osborn Maledon
Resolution Copper Mining
SPS + Architects
St. Clair Technologies
Sunstate Equipment Company
Ultimate Staffing Services

Greater Phoenix
ECONOMIC COUNCIL

2 N. Central Ave.
Suite 2500
Phoenix, AZ 85004
602.256.7700
gpec.org

EXHIBIT B

GPEC PERFORMANCE MEASURES
FY 2017

Specific performance targets as established by the GPEC Executive Committee and Board of Directors:

1. Payroll Generated	**$305.1M**
2. Total Number of Jobs Created	**6,556**
3. Total Number of High-Wage Jobs[1]	**2,491**
4. Average High-Wage Salary	**$51,827**
5. GPEC Assists[2]	**10**
6. Number of Qualified Prospects	**229**
7. Number of Qualified International Prospects	**38**

Footnotes:

1. High Wage Jobs: High wage jobs are those that are over 125% of the Maricopa County Median Wage (currently $44,060).
2. GPEC Assist: Companies that located in the region, for which GPEC provided assistance, that do not qualify as a locate due to project size, for example; and would otherwise be listed as "non-reported locates." This replaces the Emerging Tech Assist metric from previous reports to better capture GPEC activities.

EXHIBIT C

TARGETED INDUSTRIES
FY2017

GPEC and our member communities have identified targeted industries on a local and regional level, incorporating these industries into a regional economic development plan. For fiscal year 2017, GPEC will continue its emphasis on the following: Advanced Business Services; Advanced Manufacturing; Aerospace & Aviation; Logistics & E-Commerce; Mission Critical; Emerging Technologies (including CyberSecurity & Educational IT); Healthcare & Biomedical; Renewable Energies.

Member communities will target the following:

Apache Junction
Business services; environmental technologies research and manufacturing; standard and advanced manufacturing; regional and corporate centers; medical institutions and/or associated satellite operations; mining support facilities; resort/tourist-oriented development; filmmaking (location shooting); expanded retail opportunities

Avondale
Advanced business services/information technology; renewable energies; Bio/medical/life sciences; manufacturing; higher education/lifelong learning, amateur sports and tourism

Buckeye
Advanced business services; renewable energy; high tech (data center and services); environmental technology / sustainability; standard manufacturing; medical and educational institutions; transportation/distribution; small business/incubator; aerospace/aviation

Casa Grande
Aviation/aerospace; biosciences and sustainability; corporate/regional headquarters; healthcare and medical services; standard manufacturing and transportation and distribution

Chandler
Advanced business services; corporate/regional headquarters, high-tech electronics and software development; aerospace/aviation and advanced materials; biosciences and sustainability

El Mirage
Business Services; standard and advanced manufacturing; transportation; warehousing/distribution; heavy industrial; food, fiber, and natural products; aerospace aviation

Fountain Hills
Advanced business services (professional, technical, and scientific services including finance and insurance); healthcare, medical, bio-life sciences and wellness; medical and educational institutions; arts, entertainment and recreation; retail

Gila Bend
Clean technology (manufacturing/central station generation/R&D); warehousing/transportation/distribution; military supply chain; tourism/hospitality; standard manufacturing; agriculture/agri-biotechnology; food, fiber and natural products; aerospace/aviation; heavy industrial

Gilbert

Advanced business services; information communication technology; aerospace/aviation and defense; life sciences; clean and renewable technology; and related corporate/regional headquarters

Glendale
Advanced business services; aerospace and defense; education; healthcare/medical; hospitality/entertainment; manufacturing; renewable energy; technology

Goodyear
Advance financial/business services; high-tech electronics and software development; aerospace/aviation; advanced materials; biosciences (treatment, medical diagnostics, research) and senior industries; food, fiber and natural products; transportation/distribution; standard manufacturing; environmental technology; sustainability

Maricopa (City)
High-wage employers (salaries averaging at least 125% of the median wage in Maricopa County) that generate at least 80% of income from exporting goods and services outside the region

Mesa
Primary Target Industries: Healthcare, education, aerospace/aviation/defense and tourism/technology
Secondary target industries: Advanced business services; standard and advance manufacturing; regional and corporate centers; research & development; bioscience; medical devices

Peoria
Advanced business services; high technology (data centers, R&D); life sciences and healthcare technologies; advanced medical services; educational institutions; advanced and standard manufacturing; clean technologies research and manufacturing; entertainment and tourism

Phoenix
Bio-life sciences; advanced business services; manufacturing; sustainable industries and enterprises; higher education; world business, trade and FDI; and established/emerging enterprises; healthcare

Queen Creek
Agritainment/Agribusiness; Healthcare and Biotechnology; Higher Education; Software and Information Technology; Manufacturing

Scottsdale
Bio-life sciences; advanced business services; technology and innovation (including ICT and entrepreneurship/emerging enterprises); higher education; hospitality/visitor trade and commerce

Surprise
Energy (emphasis on renewable and firming); sustainability-centric industries; biomedical/medicine; advanced business services; manufacturing and distribution (emphasis on advanced manufacturing); education (K-12, and emphasis on higher education); semiconductor/microelectronics; aerospace and aviation; entrepreneurial/emerging technology

Tempe
Advanced business services (financial services); high tech/software (R&D, data center and services); high-tech/next generation electronics; aerospace R&D/aviation; bioscience (research, drug development, treatment, medical diagnostics); corporate/regional headquarters; sustainability (environmental); advanced materials/plastics; senior industries; clean tech, renewable energy and manufacturing

Tolleson
Aerospace and advanced materials; food, fiber and natural products; transportation/distribution; standard manufacturing; environmental technology; sustainability

Wickenburg
Standard manufacturing; transportation & distribution; rail services; mining support facilities; renewable energy; healthcare and medical; educational institutions; tourism and filmmaking; expanded retail operations

Youngtown
Youngtown is in the throes of developing a commerce park. The park will target second-stage small manufacturers with some related retail and offices.

EXHIBIT D

FY 2017

REPORTING MECHANISM FOR CONTRACT FULFILLMENT

Monthly Activity Report - Month, Year

BUSINESS ATTRACTION PERFORMANCE METRICS:

GPEC Progress Toward Goals

Targeted Opportunities	Annual Contract Goal	Actual YTD	Goal YTD	% of Goal YTD
PAYROLL GENERATED (MILLIONS)				
NUMBER OF JOBS				
NUMBER OF HIGH-WAGE JOBS				
AVERAGE HIGH WAGE SALARY				
QUALIFIED PROSPECTS				
QUALIFIED INTERNATIONAL PROSPECTS				
GPEC ASSISTS				

KEY BUSINESS ATTRACTION ACTIVITIES AND OTHER GPEC ACTIVITIES

GPEC continues to target high-wage industries (Advanced Business Services; Advanced Manufacturing; Aerospace & Aviation; Logistics & E-Commerce; Mission Critical; Emerging Technologies (including CyberSecurity & Educational IT); Healthcare & Biomedical; Renewable Energies

EXHIBIT E

INSURANCE REQUIREMENTS

The City's insurance requirements are minimum requirements for this Agreement and in no way limit the indemnity covenants contained in this Agreement. The City in no way warrants that the minimum limits required of GPEC are sufficient to protect GPEC from liabilities that might arise out of this Agreement for GPEC, its agents, representatives, employees or Contractors and GPEC is free to purchase such additional insurance as may be determined necessary.

A. **Minimum Scope and Limits of Insurance.** GPEC shall provide coverage at least as broad as the categories set forth below with limits also listed below.

1. **Commercial General Liability** – Shall cover liability arising from bodily injury, property damage, products-completed operations, personal and advertising injury, independent contractors, and broad form contractual coverage.

Each Occurrence	$2,000,000
Personal and Advertising	$2,000,000
General Aggregate	$4,000,000
Products-Completed Operations	$1,000,000

2. **Automobile Liability** – ISO Form Number CA 00 01 covering any auto (Code 1), or if Contractor has no owned autos, hired, (Code 8) and non-owned autos (Code 9) Bodily Injury and Property Damage –

Combined Single Limit Per Accident	$1,000,000

3. **Workers' Compensation and Employers' Liability**

Workers' Compensation	Statutory
Employers' Liability	
Each Accident	$1,000,000
Disease-Each Employee	$1,000,000
Disease-Policy Limit	$1,000,000

B. **Deductibles and Self-Insured Retentions.** Any deductible or self-insured retentions must be declared to and approved by the City. The City may require the Contractor to purchase coverage with a lower deductible or retention or provide proof of ability to pay losses and related investigations, claim administration, and defense expenses with the retention.

C. **Other Insurance Requirements.** The policies are to contain, or be endorsed to contain, the following provisions:

1. **Commercial General Liability**

a. The City, its officers, officials, agents, employees and volunteers are to be named as additional insureds with respect to liability arising out of: activities performed by or on behalf of GPEC, including the City's general supervision of GPEC; products and completed operations of GPEC; and automobiles owned, leased, hired or borrowed by GPEC.

b. GPEC's insurance shall include broad form contractual liability coverage.

c. The City, its officers, officials, agents, employees and volunteers shall be additional insureds to the full limits of liability purchased by GPEC, even if those limits of liability are in excess of those required by this Agreement.

d. GPEC's insurance coverage shall be primary insurance with respect to City, its officers, officials, agents, employees and volunteers. Any insurance or self-insurance maintained by City, its officers, officials, employees or volunteers shall be in excess of GPEC's insurance and shall not contribute to it.

e. GPEC's insurance shall apply separately to each insured against whom claim is made or suit is brought, except with respect to the limits of the insurer's liability.

f. Coverage provided by GPEC shall not be limited to the liability assumed under the indemnification provisions of this Agreement.

g. The policies shall contain a waiver of subrogation against City, its officers, officials, agents, employees and volunteers for losses arising from work performed by GPEC for the City.

2. **Workers' Compensation and Employers' Liability Coverage.** The insurer shall agree to waive all rights of subrogation against City, its officers, officials, agents, employees and volunteers for any and all losses arising from work performed by the Contractor for the City.

D. **Notice of Cancellation.** Each insurance policy required by the insurance provisions of this Agreement shall provide the required coverage and shall not be suspended, voided, canceled by either party, reduced in coverage or in limits except after thirty (30) calendar days' prior written notice has been sent to City at the address provided herein for the giving of notice. Such notice shall be by certified mail, return receipt requested.

E. **Acceptability of Insurers.** Insurance is to be placed with insurers with a current A.M. "Best's" rating of not less than A-:VII, unless otherwise acceptable to the City. City in no way warrants that the above required minimum insurer rating is sufficient to protect GPEC from potential insurer insolvency.

F. **Verification of Coverage**. GPEC shall furnish City with Certificates of Insurance (ACORD form or equivalent approved by City) and with original endorsements effecting coverage as required by this Agreement. The certificates and endorsements for each insurance policy are to be signed by a person authorized by that insurer to bind coverage on its behalf. Any policy endorsements that restrict or limit coverage shall be clearly noted on the Certificate of Insurance.

All certificates and endorsements are to be received and approved by City before work commences. Each insurance policy required by this Agreement must be in effect at or prior to commencement of work under this Agreement and remain in effect for the duration of the project.

All certificates of insurance required by this Agreement shall be sent directly to City at the address and in the manner provided in this Agreement for the giving of notice. City's Agreement/Agreement number, GPEC's name and description of the Agreement shall be provided on the Certificates of Insurance. City reserves the right to require complete certified copies of all insurance policies required by this Agreement, at any time.

G. **Approval**. During the term of this Agreement, no modification may be made to any of GPEC's insurance policies which will reduce the nature, scope or limits of coverage which were in effect and approved by the City prior to execution of this Agreement.

EXHIBIT F
Regional Cooperation Protocol Policy
Greater Phoenix Economic Council and Economic Development Directors Team

The foundation of this policy is built on trust and the spirit of regional cooperation among the entities involved. GPEC and the Economic Development Directors of its member communities agree and acknowledge that it is important that they work together as partners on projects involving the communities which GPEC represents, regardless of the source of the lead, as follows:

1. Demonstrate a commitment to the positive promotion of the Greater Phoenix, specifically, GPEC member communities, as a globally competitive region.

2. Maintain the highest standards of economic development prospect handling, including confidentiality, without jeopardizing a prospect's trust to secure the probability of a regional locate. Partners agree to respect the prospect's request for confidentiality but also agree to notify each other as to the existence of a project with a confidentiality requirement when able and shall make a good-faith effort to involve the appropriate state, regional or local partners at the earliest possible time.

3. Unless otherwise restricted, agree to coordinate through GPEC for any prospect considering a project in Maricopa County or in any of the communities that GPEC represents, understanding that GPEC is in a unique position to represent and speak on regional economic development issues and on characteristics of the region's economy. Likewise, GPEC acknowledges that communities are in the best position to speak about local incentives and efforts surrounding the local economy.

4. For projects that originate with a GPEC member community, GPEC will be available for confidential research access, topical expertise or as a service provider, to add value to the community in securing the project. Additionally, GPEC will not e-track the project unless the community lead makes such a request to do so.

5. Provide accurate and timely information in response to specific requests by all prospects. When a client has narrowed sites to specific GPEC member communities, GPEC will make a good- faith effort to inform those affected EDDT members first. EDDT members agree to provide information solely on their own community when the information requested is site-specific (i.e., cost of land, taxes, development fees, utility availability and cost, zoning process timing, permit timing and local incentives). When site-specific information related to other GPEC communities is requested, EDDT members agree to (i) direct GPEC prospects back to GPEC or (ii) direct non-GPEC generated prospects to contact the affected communities directly, and as a courtesy, contact the affected communities.

6. Agree that regardless of the lead source, public locate announcements shall be coordinated among the company, GPEC member community, and GPEC to reflect inclusiveness and cooperation of all partners (subject to any confidentiality requirements).

7. GPEC and EDDTs will advocate for a robust operating budget for the state economic development agency, and champion sound statewide economic development programs and policies.

8. Discourage the proactive offering of local, municipal financial incentives for existing jobs to companies with current operations in another GPEC community.

9. Inform GPEC member community when a company visits or physical site visit within that community will occur. Economic Development Directors will be the primary point of contact for the company when community information is needed.

10. Agree that the consideration of a future community to GPEC's membership will be brought before EDDT for discussion in advance of any board consideration. EDDT will make a recommendation on the addition of a new community to GPEC's President and CEO.

11. Formalize a process to convene GPEC and Economic Development Directors of GPEC member communities biannually, and cooperate in the exchange of information and ideas reflecting practices, procedures and policies relating to prospect handling and regional economic development.

12. Work collectively to maintain a high level of trust and integrity by and between GPEC and the Economic Development Directors of GPEC member communities, utilizing differing views as an opportunity to learn.

13. When conducting market intelligence initiative objective, GPEC staff will coordinate with EDDT to ensure coordination and communication.

14. When a Prospect Information Form (PIF) is issued by the state economic development agency GPEC will coordinate the region's response. All PIF submissions will be directed to GPEC's attention and GPEC will assemble the response and return to the state economic development agency.

15. It is understood GPEC will or may host annual executour(s) and/or other marketing familiarization tour(s) to promote the regional communities. GPEC will make every attempt to provide as much interaction time between the executour guests and EDDTs. It is understood EDDTS will inform GPEC of any upcoming executour(s) and/or other marketing familiarization tours scheduled by their office.

16. Partners agree to enter into a mediation process if there is evidence that this Protocol has not been observed in a material respect or a professional conflict arises that cannot be settled. This mediation process will be convened by the EDDT Chair, who may, at his/her discretion, consult or involve GPEC's President and CEO in addition to others with topical expertise central to the conflict.