

# 31  
JUN 14 2012



**Chandler • Arizona**  
*Where Values Make The Difference*

**MEMORANDUM                      Economic Development – Council Memo ED12-032**

**DATE:**            MAY 31, 2012

**TO:**                MAYOR AND COUNCIL

**THRU:**            RICH DLUGAS, CITY MANAGER *RD*  
                          PATRICK MCDERMOTT, ASSISTANT CITY MANAGER

**FROM:**            CHRISTINE MACKAY, ECONOMIC DEVELOPMENT DIRECTOR *CM*

**SUBJECT:**        GREATER PHOENIX ECONOMIC COUNCIL CONTRACT  
                          FOR FISCAL YEAR 2012-13

**RECOMMENDATION:** Staff recommends approval of the proposed Fiscal Year 2012-2013 contract for regional economic development services with the Greater Phoenix Economic Council (GPEC) in the amount of \$92,897, and authorize the Mayor to sign the contract approved by the City Attorney.

**BACKGROUND/DISCUSSION:** The City of Chandler and other communities in Maricopa County contract with GPEC on an annual basis to provide regional economic development services. The City of Chandler and other major cities have contracted with GPEC since 1989 to conduct marketing and business lead generation activities for the Greater Phoenix market.

City Economic Development staff participates with GPEC on regional economic development activities, including formulating GPEC's Action Plan for FY 2012-2013. Staff participates on the Economic Development Director's Team (EDDT), made up of economic development professionals from each member organization (19 communities, Arizona State University, Maricopa Community College District, Arizona Department of Commerce, Arizona Public Service and Salt River Project).

The EDDT Team works with GPEC to market and attract new quality employers to the market and to develop and implement competitive strategies for the region. With input from the EDDT Team, GPEC's performance measures have evolved over the past

several years to focus less on quantity and more on quality indicators, such as targeting companies that create higher average salary jobs and higher capital investment.

As part of the City's contract with GPEC, Chandler receives two GPEC Board of Director's appointments (Vice-Mayor Jeff Weninger and Jason Bagley with Intel).

The annual contract amount for GPEC is determined by 2011 Maricopa Association of Governments ("MAG") population estimate multiplied by a fixed amount per capita of approximately \$.39 per capita. Chandler's proportionate share, based on the MAG 2011 population estimate is \$92,897.

GPEC and the City of Chandler have partnered on four locate projects this fiscal year (Phoenix Packaging, CyrusOne and Nextfort), as well as one that is in the pipeline currently for an announcement, bringing the total projects to 21 since 2002.

The proposed FY12-13 contract has identifiable and measurable performance targets for GPEC, with monthly and quarterly reporting mechanisms built in. Exhibits to the contract include a scope of work with specific activities identified, performance targets, community industry targets, reporting mechanisms and insurance requirements.

Staff has reviewed the proposed contract and recommends continued support of GPEC's regional economic development efforts.

**FINANCIAL IMPLICATIONS:**

The contract amount of \$92,897 is budgeted in the Economic Development Division Cost Center (1520).

**PROPOSED MOTION:**

Move to approve the contract with the Greater Phoenix Economic Council for FY12-13 in the amount of \$92,897, and authorize the Mayor to sign the contract approved by the City Attorney.

**ATTACHMENTS:**

GPEC Contract  
Exhibits

**AGREEMENT BETWEEN  
THE GREATER PHOENIX ECONOMIC COUNCIL  
AND THE CITY OF CHANDLER  
City Contract No. \_\_\_\_\_**

The City Council of the CITY OF CHANDLER, 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, 2012 - June 30, 2013.

**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 image building, marketing and new business attraction for the Greater Phoenix region.
  - 2. Retention and expansion of existing businesses is primarily a local issue.
  - 3. GPEC can add value to retention and expansion of existing businesses through regional support and research on key retention and expansion projects.
  - 4. GPEC has a responsibility to advise the City when an existing company contacts GPEC regarding a retention or expansion issue.
- 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 summary 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:** 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, 2012.

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;
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 **\$92,897.00** for services to be provided by GPEC pursuant to the Agreement during the fiscal year ending on June 30, 2013, as set forth in this Agreement. This amount is based on approximately \$.39 per capita, based upon the 2011 Office of Employment and Population Statistics, Arizona Department of Administration population estimate, which listed the City as having a population of **238,381**. 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; and
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, 2012, 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 Fulfillment") 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 between GPEC and the City. Accordingly, the City and GPEC covenant and agree to work together in a productive and harmonious working relationship, to cooperate in furthering GPEC's goals for the 2012-2013 fiscal year.
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 FY 2013-2014 contract.
3. The City agrees to work with GPEC during the FY2012-2013 program year to develop a revised public sector funding plan, including a regional allocation formula for FY2013-2014, 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 contract 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 Chandler 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:** During the term of this Contract, GPEC shall indemnify, defend, hold, protect and save harmless the City and any and all of its Councilmembers, 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 and with GPEC's knowledge and consent.

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.

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 APPLICABLE FEDERAL AND STATE LAWS REQUIRED.** GPEC understands and acknowledges the applicability of the Immigration Reform and Control Act of 1986, the Drug Free Workplace Act of 1989 and the American with Disabilities Act, 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 warrants to the City that, to the extent applicable under A.R.S. §41-4401, GPEC is in compliance with all Federal Immigration laws and regulations that relate to its employees and with the E-Verify Program under A.R.S. §23-214(A). GPEC acknowledges that a breach of this warranty by GPEC or any subconsultants providing services under this Agreement is a material breach of this Agreement subject to penalties up to and including termination of this Agreement or any applicable subcontract. The City retains the legal right to inspect the papers of any employee of GPEC or any subconsultant who works on this Agreement to ensure compliance with this warranty.
2. The City may conduct random verification of the employment records of GPEC and any of its subconsultants who work on this Agreement to ensure compliance with this warranty.
3. The City will not consider GPEC or any of its subconsultants who work on this Agreement in material breach of the foregoing warranty if GPEC and such subconsultants establish that they have complied with the employment verification provisions prescribed by 8 USCA § 1324(a) and (b) of the Federal Immigration and

Nationality Act and the e-verify requirements prescribed by Arizona Revised Statutes § 23-214(A).

4. The provisions of this Section I must be included in any contract GPEC enters into with any and all of its subconsultants who provide services under this Agreement or any subcontract to provide services under this Agreement. As used in this Section I "services" are defined as furnishing labor, time or effort in the State of Arizona by a contractor or subcontractor. Services include construction or maintenance of any structure, building or transportation facility or improvement to real property.
  5. Pursuant to A.R.S. §§35-391.06 and 35-393-06, GPEC hereby certifies to the City that GPEC does not have "scrutinized" business operations, as defined in A.R.S. §§35-391 and 35-393, in either 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.** 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:                   Christine Mackay  
                                      Economic Development Director  
                                      City of Chandler  
                                      PO Box 4008, MS 416  
                                      Chandler, Arizona 85244  
                                      Phone: 480-782-3035  
                                      FAX: 480-782-3040

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

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 paragraph.

- 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.** This Agreement may be executed in up to three (3) duplicate originals, each of which is deemed to be an original. This Agreement, including ten (10) 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

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.

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 \_\_\_\_\_ day of \_\_\_\_\_, 2012.

CITY OF CHANDLER, a municipal corporation  
The Honorable Jay Tibshraeny, Mayor

By: \_\_\_\_\_  
Its: \_\_\_\_\_

ATTEST:

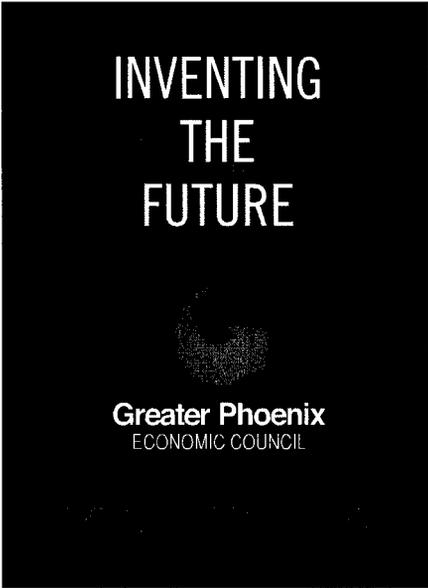
By: \_\_\_\_\_  
Its: City Clerk

APPROVED AS TO FORM:

By: \_\_\_\_\_  
Its: City Attorney *GAB*

GREATER PHOENIX ECONOMIC COUNCIL,  
an Arizona nonprofit corporation

By: \_\_\_\_\_  
Barry Broome  
President & Chief Executive Officer



Renewable Energy



Biomedical/Personalized Medicine



Advanced Business Services



Manufacturing & Logistics



Mission Critical



Aerospace & Aviation



Emerging Tech

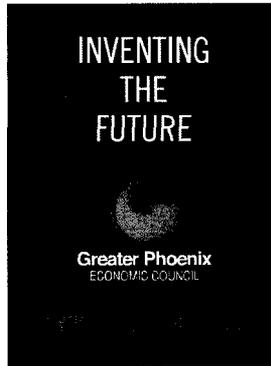
MARICOPA COUNTY  
APACHE JUNCTION  
AVONDALE  
BUCKEYE  
CASA GRANDE

CHANDLER  
FOUNTAIN HILLS  
GILA BEND  
GILBERT  
GLENDALE

GOODYEAR  
MARICOPA  
MESA  
PHOENIX  
PEORIA

QUEEN CREEK  
SCOTTSDALE  
SURPRISE  
TEMPE  
TOLLESON

WICKENBURG



## **GPEC Mission**

Attract quality businesses  
to the Greater Phoenix region  
from around the world,  
and advocate and  
champion foundational  
efforts to improve the  
region's competitiveness.

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- 10 Competitiveness
- 12 Marketing and Communications
- 13 Stakeholder Engagement: Paving the way

### What to Expect in the Following Pages

#### **FY12 MILESTONES**

momentum gained in the last year—select achievements and key benchmarks

#### **FY13 ACTION ITEMS**

sample of activities that adhere to a five-year vision and result in progress

#### **DRIVES THESE FY13 METRICS**

shows relationship between action items and annual performance goals

# SUMMARY

## Inventing the **Future**

It's a mantra shared by pioneers and entrepreneurs around the world. It's a conviction uniting individuals and teams of people everywhere who dare to make "it" their own. At GPEC, we are in the business of inventing the future. In competition with other metro markets for solid projects with quality jobs and notable capital investment, we are continually evaluating how to improve the region's business climate and secure our share of economic prosperity. Defying mediocrity, GPEC's efforts to implement a cutting-edge business development model, a more instinctive and sophisticated research practice, and a dynamic and creative marketing outfit, signify a boldness to create what does not currently exist and deliver better outcomes for the communities we serve.

Fiscal year 2013 represents the second year in the organization's five-year strategic plan, and the activities in the subsequent pages reflect not only progress, but also a steady continuation of the initiatives that will differentiate Greater Phoenix in the long-term.

**With a clear path of strategies that will transcend the region as a true center of excellence, GPEC will keep inventing the future.**

## Vision and Progress

As approved by GPEC's Board of Directors in FY11, these strategic pillars will guide the organization's fiscal year activities, and by 2016, lead to the following vision statements:

Strategic Pillar	By 2016
Retention and Expansion	GPEC's R/E model will be best-in-class.
Next Generation	GPEC will elevate Greater Phoenix as a leading center of emerging technologies.
Attraction	GPEC will maintain its reputation as a credible, respectable and "go to" organization.
International	GPEC's foreign direct investment approach will be a national best practice.
Regional Brand	GPEC will successfully define Greater Phoenix as a region that is forward-thinking, innovative and business-friendly.
GPEC Brand	GPEC will be the nation's premier agency and leader in the economic development realm. In Arizona, GPEC will be the principal leadership organization.
Capital Markets / Venture Formation	GPEC will develop a science and technology-based fund that will drive regional innovation activity.

# GPEC STAKEHOLDERS\*

## Member Communities

MARICOPA COUNTY	GILA BEND	PEORIA
APACHE JUNCTION	GILBERT	QUEEN CREEK
AVONDALE	GLENDALE	SCOTTSDALE
BUCKEYE	GOODYEAR	SURPRISE
CASA GRANDE	MARICOPA	TEMPE
CHANDLER	MESA	TOLLESON
FOUNTAIN HILLS	PHOENIX	WICKENBURG



Alliance Bank of Arizona  
 APS  
 Arizona Cardinals  
 Arizona Diamondbacks  
 Arizona Republic/Gannett  
 Foundation  
 Arizona State University  
 AT&T  
 Bank of America  
 Banner Health  
 BBVA Compass  
 Chase  
 Cox Communications  
 D.L. Withers Construction  
 DMB Associates

Ernst & Young  
 Freeport McMoRan Copper &  
 Gold Inc.  
 Henry & Horne  
 Hines  
 Humana  
 Kitchell  
 Maracay Homes  
 Maricopa Community Colleges  
 Mayo Clinic  
 MidFirst Bank  
 PetSmart  
 Phoenix Suns  
 Power One  
 Republic Services

SCF Arizona  
 Squire Sanders  
 SRP  
 St. Joseph's Hospital & Medical  
 Center  
 University of Phoenix  
 US Airways  
 Verizon Wireless  
 Walmart  
 Waste Management  
 Wells Fargo



AIA Vista Tech  
 A.R. Mays Construction  
 A.T. Still University  
 AAA Arizona  
 Abengoa/Abacus  
 Aetna  
 BlueCross BlueShield of Arizona  
 Cancer Treatment Centers of  
 America  
 Cassidy Turley/BRE Commercial  
 CBRE  
 Celgene Corporation  
 Central Arizona Commerce Park,  
 LLC  
 CenturyLink  
 Coe & Van Loo Consultants, Inc.  
 Colliers International  
 CresaPartners  
 Cushman & Wakefield  
 Deloitte  
 Deutsch Architecture Group

Digital Realty Trust  
 E-Bay  
 El Dorado Holdings  
 Empire Southwest  
 Gammage & Burnham  
 Gilbane Building Co.  
 Greenberg Traurig  
 Green Loop Solutions  
 HDR Architecture  
 Hensel Phelps  
 Hensley  
 Howard S. Wright  
 IASIS Healthcare  
 JE Dunn Construction  
 Jones Lang LaSalle  
 Layton Construction  
 Lewis & Roca LLP  
 LGE Design Build  
 M&I, A part of BMO Financial  
 Group  
 McCarthy Building Companies

The McShane Companies  
 Macerich  
 Meritage Homes  
 Mortenson Construction  
 Najafi Companies  
 National Bank of Arizona  
 Okland Construction  
 Phoenix Children's Hospital  
 Polsinelli Shughart  
 Renaissance Companies  
 SmithGroup  
 SolarCity  
 Southwest Airlines  
 Sun Health  
 Sundt Construction  
 University of Arizona  
 UPS  
 Ware Malcomb  
 Wespac Construction, Inc.  
 Wood, Patel & Associates, Inc.



Air Products and Chemicals, Inc.  
Arizona Office Technologies  
Avnet  
Bank of Arizona  
Bryan Cave  
Capital Commercial Investment, Inc.  
Capital Group Companies  
Clear Channel Outdoor  
Comerica Bank  
The CORE Institute  
CoStar Group  
Dibble Engineering  
DIRTT  
Ensemble DevMan of Arizona  
Facilitec  
Fennemore Craig  
Fervor Creative  
Goodmans Interior Structures  
Grant Thornton  
Intel Corporation  
Job Brokers Inc./JBI Energy  
Kelly Services  
KTAR  
Marsh

Merit Partners  
MSS Technologies  
On Q Financial  
Osborn Maledon  
The Plaza Companies  
Quarles & Brady  
Queen Creek/Landmark Companies  
Renovalia Energy USA, Inc.  
Rose Law Group  
Scottsdale Healthcare  
Snell & Wilmer LLP  
Southwest Gas Corporation  
Sun State Builders  
Suntech America, Inc.  
Target Commercial Interiors  
Univita  
USAA  
WealthTrust Arizona  
West Valley National Bank  
Wist Office Products



Adolfson & Peterson Construction  
American Institute of Architects  
American Solar Electric  
Applied Economics  
Austin Commercial  
Carefree Partners  
CORE Construction  
Dircks Moving Services  
Gallagher & Kennedy  
Grubb & Ellis

John C. Lincoln Health Network  
Land Advisors Organization  
Midwestern University  
Plant Solutions  
PTE Real Estate Group, LLC  
SkySong, ASU Scottsdale Innovation Ctr  
Sunstate Equipment Company

## FY12 MILESTONES

### **Key Policy Achievements**

Provided technical review and counsel to State and House leadership on the expansion of the Renewable Energy Tax Incentive Program to include other export industries. Signed by Governor Brewer, this \$630 million economic development program will shape our ability to deliver high-impact projects.

### **Value-add Research in Aerospace and Defense**

Launched region-wide market intelligence initiative, providing communities with critical data and research on the Valley's primary contractors and large suppliers. An implementation model is currently underway, which is expected to both retain current businesses and attract new opportunities.

### **Convened on Personalized Medicine**

In another first, GPEC hosted more than 200 attendees to a Personalized Medicine Summit, where state policy-makers and business and community leadership heard from world-renowned experts on best practice life science models. Attendees also learned about Arizona's unique public-private collaborations, which have led to major achievements in research, educational, and commercialization infrastructure.

## COMPETITIVENESS

Guide new, strategic business opportunities through geographic and industry trend analyses

Evaluate targeted, sound economic development programs that enhance regional and state competitiveness

### FY13 ACTION ITEMS

- *Retain Key Industries and Capture New Opportunities*

With the launch of a market intelligence pilot program initially focused on the aerospace and defense industry, GPEC will continue identifying potential threats and opportunities. The pilot program will be scaled to other sectors, including clean tech, to detect new areas of investment. GPEC member communities will build market intelligence through meetings with companies, and community and business leaders will be engaged at a high level to lend support to this effort.

- *Return to Washington, D.C.*

In conjunction with an educational outreach effort to Arizona's congressional delegation, GPEC will resume an Executive Mission to the nation's Capitol. Driven by immediate and long-term economic opportunities for the region and state, this trip will aim to broaden awareness of Greater Phoenix as a market rich with opportunity.

- *Build the Region's Future Around Science and Technology*

GPEC will place an emphasis on creating centers of excellence around impactful industries like clean tech, next-generation aerospace and defense, personalized medicine and IT. A blueprint to success will include promoting venture capital into the region and teaming with universities, with the intent to help new and existing businesses commercialize products and services.



## DRIVES THESE FY13 METRICS

- *Support Workforce Development Efforts*

The region faces a considerable skills gap in occupations that are critical to growth industries. GPEC will collaborate with workforce development partners at Maricopa County, City of Phoenix and our educational partners at the Maricopa Community Colleges, Arizona State University and University of Phoenix to draw on national models and best practices to identify solutions to address this gap.

- *Research Opportunities in Clean Tech*

GPEC will continue to support the innovation, adoption and evolution of solar and other clean technologies. In tracking and monitoring developments within the clean tech industry, GPEC will analyze niche sectors and emerging technologies that are compatible with assets in the region.

- Pipeline of qualified prospects
- Pipeline of international prospects
- Average high-wage salary
- Emerging technology assists
- Competitive position progress
- Total need of additional placements

## FY12 MILESTONES

### **New Era for gpec.org**

Launched a brand new website, complete with data, detail and content-related marketing to satisfy not only location decision-makers, prospective employers and employees, but also existing and future GPEC investors and the community at-large.

### **California Perspective**

Equipped the newly redesigned gpec.org with a geo-locator, allowing for targeted, California-specific messaging to users visiting the website from a California IP address. This application gives GPEC an edge in positioning the region competitively to a very specific audience.

### **Solar Still Positive**

Despite questions surrounding Solyndra's fallout and its impact to the industry, GPEC secured positive news stories about the region's renewable energy and solar success in *Business Xpansion Journal*, *The Fiscal Times*, *Global Corporate Xpansion* and *World Trade 100*.

## MARKETING & COMMUNICATIONS

Market region's strengths and assets using new, non-traditional tools

Position GPEC as reliable resource for stakeholders, policy-makers, citizens and media on key economic development issues

### FY13 ACTION ITEMS

- *Implement a Geographic-centric Campaign*

Expanding on current messaging for California audiences, additional marketing and public relations efforts will be targeted toward heightened regions of opportunity such as Chicago, northern California and international targets such as China.

- *Devise Online Marketing Plan*

Following the launch of GPEC's revamped website, an increased marketing focus will be placed around online marketing, including search engine optimization, search marketing, social media and email marketing. Messaging for each online platform will give emphasis to repurposing easy-to-share information such as video and blog content.

## DRIVES THESE FY13 METRICS



- Pipeline of qualified prospects
- Pipeline of international prospects
- Total reach of editorial placements

- *Continue Industry-focused Marketing*

GPEC's target industries will remain a marketing focus as value propositions for each are further developed and branded for continuity throughout the industry microsites, industry-specific collateral, presentations and messaging.

- *Increase National and International PR*

Business development and CEO-scheduled trips will be leveraged for increased public relations and media efforts at a national and international level. GPEC will also monitor national and international niche/trade publications for opportunities to better promote regional assets and publicize GPEC's agency-wide efforts.

# STAKEHOLDER ENGAGEMENT

The active involvement by GPEC stakeholders carves a path for our region to become world-class and extraordinary. Stakeholder support enables GPEC to pursue economic opportunities while allowing investors to participate in key economic development activities.

## Governance

### **Board of Directors**

Provides effective 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.

#### **Nominating Committee**

Serves to nominate the At-Large Directors and Board officers.

#### **Audit Committee**

Assesses internal controls and oversees auditors and the annual audit.

#### **Finance Committee**

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

## Leadership Councils and Advisory Groups

*The collective professional expertise of GPEC's councils and advisory groups guides the CEO on key initiatives, leverages connections to further business development and competitiveness efforts, and supports implementation of programs.*

### **GPEC Next Leadership Council\***

High-level advisory group designed to ensure the organization operates as "GPEC Next" model: innovative, integrated, proactive.

### **Healthcare Leadership Council\***

Works together to establish Greater Phoenix as a center of excellence for personalized medicine anchored by innovative assets and world-class leadership.

### **International Leadership Council\***

Advises on the direction and implementation of GPEC's foreign direct investment efforts; responsible for monitoring progress and providing guidance to increase program impacts.

### **Economic Development Directors Team**

Advises CEO and staff on local economic development trends, offers insight on pulse of city/town council 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.

### **Marketing Committee\***

Offers guidance on the development of regional branding, marketing and media efforts in support of our core mission of business development and regional competitiveness.

### **Innovation Council\***

Guides and directs the planning and execution of a comprehensive economic development model to foster and promote a competitive environment for the formation, retention and expansion of growth industries in Greater Phoenix.

## **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.

### **Ambassadors**

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

### **Certified Ambassadors**

A qualifying program for Ambassadors who serve as an extension of the GPEC team and 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 Ambassadors Program; design activities relevant to and in support of GPEC's mission; serve as a sounding board for emerging initiatives and support implementation of programs.

*\*Eligibility determined by investment level or strategic appointment*



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@gpec



gpec greater phoenix



greater phoenix economic council (groups)



greater phoenix economic council

**EXHIBIT B**  
GPEC PERFORMANCE MEASURES  
FY 2012-2013

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

<b>1. Payroll Generated</b>	<b>\$185.0M</b>
<b>2. Total Number of Jobs Created</b>	<b>4,378</b>
<b>3. Total Number of High-Wage Jobs</b>	<b>2,292</b>
<b>4. Average High-Wage Salary</b>	<b>\$49,108</b>
<b>5. Emerging Tech Assists</b>	<b>8</b>
<b>6. Number of Qualified Prospects</b>	<b>199</b>
<b>7. Number of Qualified International Prospects</b>	<b>35</b>
<b>8. Total Reach of Editorial Placements/Exposures</b>	<b>119M</b>

GPEC continues to target high-wage industries (Renewable Energy; Biomedical/Personalized Medicine; Advanced Business Services; Manufacturing & Logistics; Mission Critical; Areospace & Aviation; Emerging Tech)

# **EXHIBIT C**

## **TARGETED INDUSTRIES**

### **FY2012-2013**

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 2012-2013, GPEC will continue its emphasis on the following: Renewable Energy; Biomedical/Personalized Medicine; Advanced Business Services; Manufacturing & Logistics; Mission Critical; Aerospace & Aviation; Emerging Tech.

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; areospace/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.

#### **Fountain Hills**

Advanced business services; high-tech/IT; healthcare, medical and bio-medical; renewable enery; post-secondary institutions

#### **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

#### **Gilbert**

Corporate/regional headquarters; advanced business services; high-tech/software (R&D, data center, services); next generation electronics (sensors, optics); aerospace and defense (satellite, FAA repair); biotechnology and life sciences (R&D, oncology, regenerative medicine, cardiovascular science, medical device); clean technology and renewable energy (R&D, algae, biodiesel)

#### **Glendale**

Aviation/aerospace; software development; sports and entertainment; high-tech consultants; research and development; defense; financial services and insurance headquarters; resorts; healthcare and medical services; engineering and architectural

#### **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 and Tourism

Secondary target industries: Advanced business services; regional and corporate centers; environmental technology; research & development; bioscience; sustainability

**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**

Advanced business services; aerospace and defense; bioscience; high tech/IT; renewable energy; higher education

**Queen Creek**

Aerospace and aviation; health and wellness; advanced financial/business services; arts, culture and experience; education

**Scottsdale**

Information technology/software; healthcare/biomedical; financial services; sports/lifestyle; solar/sustainable industries; education

**Surprise**

Environmental technology; advanced medical services; biotech; education and healthcare; transportation and distribution

**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**

Heavy industrial; standard manufacturing; transportation & distribution; rail services; food processing; mining support facilities; renewable energy; environmental technology research & manufacturing; healthcare and medical; educational institutions; tourism and filmmaking; expanded retail operations

# EXHIBIT D

FY 2012-2013

## 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
<b>PAYROLL GENERATED (MILLIONS)</b>				
<b>AVERAGE HIGH WAGE SALARY</b>				
<b>NUMBER OF JOBS</b>				
<b>NUMBER OF HIGH-WAGE JOBS</b>				
<b>EMERGING TECHNOLOGY ASSISTS</b>				
<b>QUALIFIED PROSPECTS</b>				
<b>INTERNATIONAL PROSPECTS</b>				
<b>TOTAL REACH OF EDITORIAL PLACEMENTS</b>				

*GPEC continues to target high-wage industries (advanced business services, aerospace, life sciences, renewable energy, high-tech/IT)*

#### **KEY BUSINESS ATTRACTION ACTIVITIES AND OTHER GPEC ACTIVITIES**

**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 of liability in amounts acceptable to the City.

**1. Commercial General Liability - Occurrence Form**  
(Form CG 0001, ed. 10/93 or any replacements thereof)

General Aggregate/ per Project  
Products-Completed Operations Aggregate  
Personal & Advertising Injury  
Each Occurrence  
Fire Damage (Any one fire)  
Directors and Officers  
Medical Expense (Any one person) Optional

**2. Automobile Liability - Any Auto or Owned, Hired and Non-Owned Vehicles** (Form CA 0001, ed. 12/93 or any replacement thereof) Combined Single Limit Per Accident for Bodily Injury and Property Damage

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

**B. Self-insured Retentions.** Any self-insured retentions must be declared to and approved by the City. If not approved, the City may request that the insurer reduce or eliminate such self-insured retentions with respect to City, its officers, officials, agents, employees and volunteers.

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) 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 duly licensed or approved unlicensed companies in the State of Arizona and with a "Best's" rating of not less than A-:VII. 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.