

**THIRD AMENDMENT
TO
PROFESSIONAL SERVICES AGREEMENT
BETWEEN
THE TOWN OF FOUNTAIN HILLS
AND
FOUNTAIN HILLS CHAMBER OF COMMERCE**

THIS THIRD AMENDMENT TO PROFESSIONAL SERVICES AGREEMENT (this "Third Amendment") is made as of November 4, 2011, between the TOWN OF FOUNTAIN HILLS, an Arizona municipal corporation (the "Town") and FOUNTAIN HILLS CHAMBER OF COMMERCE, an Arizona non-profit corporation (the "Contractor").

RECITALS

A. The Town and the Contractor entered into a Professional Services Agreement dated September 6, 2007 (the "Original Agreement"), as amended by that certain First Amendment dated October 4, 2007 (the "First Amendment") and as amended by that certain Second Amendment, dated June 21, 2010 (the "Second Amendment") for the Contractor to provide tourism promotion services (the "Services"). The Original Agreement, First Amendment and Second Amendment are collectively referred to herein as the "Agreement."

B. The Town has determined that it is necessary to amend the Agreement with the Contractor to (i) add additional services to the Scope of Work of the Agreement for further tourism promotion (the "Additional Services"), (ii) extend the term of the Agreement and (iii) increase the compensation of the Contractor for the Additional Services.

C. The Town and the Contractor desires to enter into this Third Amendment to (i) include the Additional Services, (ii) extend the term of the Agreement and (iii) increase the compensation of the Contractor for the Additional Services.

AGREEMENT

NOW, THEREFORE, in consideration of the foregoing recitals, which are incorporated herein by reference, the following mutual covenants and conditions and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Town and the Contractor hereby agree to amend the Agreement as follows:

1. **Term.** The term of the Agreement is hereby extended until June 30, 2012.
2. **Scope of Work.** The Contractor shall provide the Additional Services as set forth in Exhibit A, attached hereto and incorporated herein by reference.
3. **Compensation.** The Town shall pay Contractor an amount not to exceed \$103,200.00 for the Additional Services.

4. Agreement Subject to Appropriation. This Third Amendment and the Agreement are subject to the provisions of ARIZ. CONST. ART. IX, § 5 and ARIZ. REV. STAT. § 42-17106. The provisions of this Third Amendment and the Agreement for payment of funds by the Town shall be effective when funds are appropriated for purposes of this Third Amendment and the Agreement and are actually available for payment. The Town shall be the sole judge and authority in determining the availability of funds under this Third Amendment and the Agreement and the Town shall keep the Contractor fully informed as to the availability of funds for this Third Amendment and the Agreement. The obligation of the Town to make any payment pursuant to this Third Amendment and the Agreement is a current expense of the Town, payable exclusively from such annual appropriations, and is not a general obligation or indebtedness of the Town. If the Town Council fails to appropriate money sufficient to pay the amounts as set forth in this Third Amendment and the Agreement during any immediately succeeding fiscal year, this Third Amendment and the Agreement shall terminate at the end of then-current fiscal year and the Town and the Contractor shall be relieved of any subsequent obligation under this Third Agreement and the Agreement.

5. Effect of Amendment. In all other respects, the Agreement is affirmed and ratified and, except as expressly modified herein, all terms and conditions of the Agreement shall remain in full force and effect.

6. Non-Default. By executing this Third Amendment, the Contractor affirmatively asserts that (i) the Town is not currently in default, nor has been in default at any time prior to this Third Amendment, under any of the terms or conditions of the Agreement and (ii) any and all claims, known or unknown relating to the Agreement and existing on or before the date of this Third Amendment are forever waived.

7. Conflict of Interest. This Third Amendment and the Agreement may be cancelled by the Town pursuant to ARIZ. REV. STAT. § 38-511.

[SIGNATURES ON FOLLOWING PAGE]

IN WITNESS WHEREOF, the parties hereto have executed this instrument as of the date and year first set forth above.

"Town"

TOWN OF FOUNTAIN HILLS, an Arizona municipal corporation

J. A. Ghetti
Julie Ghetti, Interim Town Manager

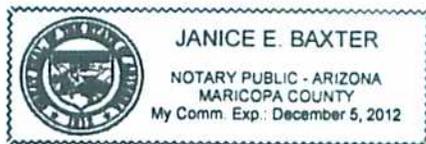
ATTEST:

Bevelyn J. Bender
Bevelyn J. Bender, Town Clerk

(ACKNOWLEDGEMENT)

STATE OF ARIZONA)
) ss.
COUNTY OF MARICOPA)

This instrument was acknowledged before me on November 21, 2011, by Julie Ghetti, Interim Town Manager of the TOWN OF FOUNTAIN HILLS, an Arizona municipal corporation, on behalf of the Town of Fountain Hills.



(affix notary seal here)

Janice E. Baxter
Notary Public in and for the State of Arizona

“Contractor”

FOUNTAIN HILLS CHAMBER OF COMMERCE,
an Arizona corporation

By: Frank S. Ferrara

Name: FRANK S. FERRARA

Its: CEO/PRESIDENT

(ACKNOWLEDGEMENT)

STATE OF ARIZONA)
) ss.
COUNTY OF MARICOPA)

This instrument was acknowledged before me on November 9, 2011,
by Frank S. Ferrara as CEO/President of FOUNTAIN HILLS
CHAMBER OF COMMERCE, an Arizona corporation, on behalf of the corporation.

Bevelyn J. Bender
Notary Public in and for the State of Arizona

(affix notary seal here)



EXHIBIT A
TO
THIRD AMENDMENT
TO
PROFESSIONAL SERVICES AGREEMENT
BETWEEN
THE TOWN OF FOUNTAIN HILLS
AND
FOUNTAIN HILLS CHAMBER OF COMMERCE

[Additional Services]

See following pages.

SCOPE OF WORK

Contractor shall provide tourism promotion services for the Town of Fountain Hills effective July 1, 2011 for a period of one (1) year. Responsibilities shall include, but not be limited to, the following:

1. Each item listed in Section III of the RFQ,
 - a. Except:
 - i. Item 3– Provide necessary operation oversight and management of Town contract with Scottsdale Convention & Visitors Bureau (Not applicable; no such Town contract in place); and
 - ii. Item 5– Provide no less than ten (10) TEAM ads annually representing more than 3.5 million impressions and no less than fourteen (14) non-TEAM ads annually with over 1.3 million potential impressions. (Not applicable; TEAM program (of Arizona Office of Tourism) no longer exists due to state budget cuts.)
 - b. And, otherwise as written, or amended as follows:
 - i. Item 1– Provide necessary staffing, materials, equipment and professional management to effectively operate a tourism program which focuses on local, regional and national/international selected markets for overnight and daytrip visitors to Fountain Hills. Staffing should consist, at a minimum, of a Tourism Director and a half time employee dedicated to accomplish this task.
 - ii. Item 2– Publish and distribute a minimum of 40,000 visitors guides annually.
 - iii. Item 4– Conduct a non-paid public relations and social media editorial development campaign to achieve \$5.00 in media value for every dollar invested in media relations services; or \$200,000 in media value.
 - iv. Item 6– Apply for the full extent of project funding available through the Arizona Office of Tourism (Proposition 302) and the Arizona Tribal-State Gaming Compact (Proposition 202).
 - v. Item 7– Provide mid-year and year-end reports of progress toward completing the scope of services.
2. Develop and promote an image/branding campaign for the Fountain Hills destination area that effectively depicts the area's vibrancy and diversity of culture, art, heritage, environment, etc., and conveys a healthy community sense of place; and that can also be applicable to marketing efforts of various entities within the community.
3. Develop a website for the Fountain Hills destination area that effectively conveys compelling information and visuals regarding all visitor interest aspects of the destination per the destination brand as described in item 2 above, and that provides state of the art capabilities for effectively conducting an integrated digital/on-line marketing campaign.
 - As a key deliverable of this Scope of Work, notably visibly represent on this website the collaborative destination marketing effort of the Town of Fountain Hills and the Fountain Hills Chamber of Commerce as the providers for and of its content.
 - Provide detailed site activity analytics as a key measurement tool for the overall effectiveness of the entire destination marketing program. Reporting elements and benchmarks to be established in this contract year as the site develops.

4. Conduct an integrated print, electronic and digital advertising campaign aimed at select, appropriate markets providing the best potential for generating overnight and day-trip visitation to Fountain Hills with a goal of achieving a minimum of 5,000,000 advertising impressions.
5. Produce/provide niche market brochures that focus on Fountain Hills attractions and amenities pertinent to determined primary interests and information needs of visitors to Fountain Hills, including but not limited to (a) Calendar of Events;(b)Restaurants/Dining Guide;(c) Wedding Planning Guide, etc.
6. Conduct such other destination marketing, sales and affiliations programs and activities as deemed necessary and appropriate to generate incremental individual and group visitation to the Fountain Hills destination, to include but not limited to leisure and non-leisure group business development; special events development; sponsorships, niche market collaborative/co-op initiatives, memberships and affiliations with tourism industry organizations, etc.
7. List the Town of Fountain Hills as a sponsor of all materials produced as appropriate.
8. Report on progress made on each scope of service item in mid-year and year-end reports.