

INDEPENDENT CONTRACTOR AGREEMENT

This agreement is effective this 1st day of May, 2016, at the City of San Luis, County of Yuma, State of Arizona, between The City of San Luis, Arizona, (“the City” or “San Luis”), a municipal corporation of the State of Arizona, 1090 E. Union Street, P.O. Box 1170, San Luis, Arizona, and Ralph Velez, referred to in this agreement as “Consultant.”

SECTION I TERM AND NATURE OF CONTRACT WORK

The Consultant will begin working for the City as an Independent Contractor, on a part-time basis, as the Consultant to the Interim City Manager and City Council of the City of San Luis, Arizona beginning on the 1st day of May, 2016. He shall at all times serve at the pleasure of the City Council of the City of San Luis. The Consultant shall devote two-days per week to the performance of his duties as the Consultant to the Interim City Manager and City Council.

SECTION II CONSULTANT DUTIES

The Consultant shall, subject to the direction and control of the City Council of the City of San Luis, take charge of the administration of the City and, jointly with the Interim City Manager, assist in the performance of the duties of the office of City Manager as set forth in the ordinances and Code of the City as well as the functions and duties specified in the applicable Arizona Statutes, including but not limited to ARS §9-303. The Consultant shall serve the City diligently and according to his best professional and personal abilities in all respects, and generally do all things for the best interests of the City that is usually done by persons occupying a position as the chief administrative officer of a political subdivision. The Consultant shall provide direction to the Interim City Manager and assist him in the performance of his job duties. Additionally, the Consultant shall consult with the City Council as the Consultant believes is needed and upon the City Council’s request. Consultant shall have use of a vehicle belonging to the City while working in San Luis, so long as the City has a vehicle that is in good operating condition that is available for use. Consultant shall travel to and from all locations and meetings necessary to satisfactorily perform his duties. The locations include, but are not limited to, the following: Border Trade Alliance, National League of Cities, Arizona League of Cities and Towns, Arizona Mexico Commission, the International Congress of Shopping Centers, and the National Association of Elected Officials. Consultant shall be reimbursed for all other reasonable travel related expenses when traveling to perform these duties for the City.

SECTION III
REIMBURSEMENT IN LIEU OF COMPENSATION

A. **Salary.** The Consultant shall not be paid a salary for the performance of his duties, except when he performs official city business outside of Yuma County. For all such time he shall be paid \$65 per hour, and shall provide a weekly accounting to the Interim City Manager of such time. In lieu of a salary or hourly wage for work inside of Yuma County, Consultant shall receive per diem and reimbursement at the rates set forth in the remainder of this section.

B. **Mileage.** Consultant shall receive mileage reimbursement of \$0.55 per mile, for a maximum mileage of 362 miles traveled per week. Based on the mileage Consultant is expected to travel, the City shall pay Consultant a reimbursement of \$99.55 per day worked, for a total of \$199.10 per week. Consultant agrees to notify the Interim City Manager if he moves, or if he travels less than the expected amount of miles for any particular week, so that adjustments may be made to prevent overpayment.

C. **Lodging.** Consultant shall receive reimbursement for lodging at a rate of \$125.00 per day worked. Based on Consultant's agreement to work two days per week, the City shall reimburse Consultant \$250.00 per week. If Consultant works less than two days in any given week, for any reason, Consultant shall notify the Interim City Manager so that adjustments can be made to prevent overpayment. Additionally, Consultant shall be reimbursed for more than two days in a given week should Consultant incur such lodging expense for attendance at the Border Trade Alliance, National League of Cities, Arizona League of Cities and Towns, Arizona Mexico Commission, the International Congress of Shopping Centers, and the National Association of Elected Officials. Finally, when lodging outside of the Yuma County region, Consultant shall be reimbursed at the prevailing rate for such lodging, as determined by the Interim City Manager.

D. **Per Diem.** Consultant shall receive per diem at a rate of \$71.00 per day worked. Based on Consultant's agreement to work two days per week, the City shall reimburse Consultant \$142.00 per week. If Consultant works less than two days in any given week, for any reason, Consultant shall notify the Interim City Manager so that adjustments can be made to prevent overpayment. Additionally, Consultant shall also receive per diem at a rate of \$71.00 per day for attendance at the Border Trade Alliance, National League of Cities, Arizona League of Cities and Towns, Arizona Mexico Commission, the International Congress of Shopping Centers, and the National Association of Elected Officials.

E. **Payments.** The City shall issue Consultant reimbursement payments, and salary payments for work outside of Yuma County, bi-weekly in accordance with the City's usual payment and billing cycle. Based on the information listed in the preceding paragraphs, the City shall issue reimbursement payments in the amount of \$1,185.50 bi-weekly, except in the instances where additional reimbursement is required under Paragraphs (B), (C), or (D) above.

F. **Employment Benefits.** Based on Consultant's status as an Independent Contractor, Consultant is not entitled to receive employment benefits. Consultant shall be responsible for obtaining health insurance and other employment benefits the City typically offers to its employees.

SECTION IV OFFICE SPACE AND EQUIPMENT

The City shall provide Consultant with office space, use of utilities, office supplies, a laptop computer, an iPad, and a telephone that will enable him to perform the functions of the position. Consultant shall return all office supplies and equipment immediately upon termination of this Agreement.

SECTION V TERMINATION OF CONTRACT

A. The City Council may terminate this agreement at any time upon the giving of at least fourteen (14) days written notice to Consultant, unless the parties otherwise agree.

B. Consultant may terminate this agreement at any time upon the giving of at least fourteen (14) days written notice to the Mayor and City Council, unless the parties otherwise agree.

SECTION VI CONTRACT TERMS TO BE EXCLUSIVE

This written agreement contains the sole and entire agreement between the parties and shall supersede any and all other agreements between the parties. The parties acknowledge and agree that neither of them has made any representation with respect to the subject matter of this agreement nor any representations inducing its execution and delivery except such representations as are specifically set forth in this writing and the parties acknowledge that they have relied on their own judgment in entering into the same. The parties further acknowledge that any statements or representations that may have been made by either of them to the other are void and of no effect and that neither of them has relied on such statements or representations in connection with its dealings with the other.

SECTION VII WAIVER OR MODIFICATION INEFFECTIVE UNLESS IN WRITING

It is agreed that no waiver or modification of this agreement or of any covenant, condition, or limitation contained in it shall be valid unless it is in writing and duly executed by the party to be charged with it, and that no evidence of any waiver or modification shall be offered or received in evidence in any proceeding, arbitration, or litigation between the parties arising out of or affecting this agreement, or the rights or obligations of any party

under it, unless such waiver or modification is in writing, duly executed as above. The parties agree that the provisions of this paragraph may not be waived except by a duly executed writing.

**SECTION VIII
CONTRACT GOVERNED BY LAW OF
STATE OF ARIZONA**

A. The parties agree that it is their intention and covenant that this agreement and performance under it and all suits and special proceedings relating to it be construed in accordance with and under and pursuant to the laws of the State of Arizona and that in any action, special proceeding, or other proceeding that may be brought arising out of, in connection with, or by reason of this agreement, the laws of the State of Arizona shall be applicable and shall govern to the exclusion of the law of any other forum, without regard to the jurisdiction in which any action or special proceeding may be instituted.

B. This agreement shall be subject to the cancellation provisions of ARS §38-511.

In witness whereof, the City of San Luis, Arizona has caused this agreement to be signed and executed on its behalf by its Mayor and duly attested to by its Clerk, and Ralph Velez, Consultant, has signed and executed this agreement at 1090 E. Union Street, San Luis, Arizona on the _____ day of June, 2016.

Ralph Velez, Consultant

The City of San Luis

By: _____

4838-6929-5153, v. 1