

March 2, 2021

The Honorable Gerardo Sanchez  
Mayor  
City of San Luis  
767 First Avenue  
Box 1170  
San Luis, Arizona 85349

Via electronic mail: [gsanchez@cityofsanluis.org](mailto:gsanchez@cityofsanluis.org)

RE: Renewal of Contract for Professional Services

Dear Mayor Sanchez,

First of all, on behalf of Ramírez Advisors Inter-National, LLC, (RAI-N), I want to reaffirm our commitment to working with you and the City of San Luis to help secure the balance of the funding for the San Luis I Modernization project and to implementing the necessary strategy to help secure the necessary commitments by Mexico to make the necessary investments on the Mexican side. Projects of this magnitude and repercussion require a long-term commitment and an unwavering focus on the end game. We are proud to have been part of this journey with you!

To that end, I want to thank you for the opportunity of presenting this contract renewal to you and the City of San Luis (the City) as the City works to leverage the investment by the federal government on the international ports of entry to serve as catalysts for the long-term economic growth of the region and to foster the improvement of the quality of life for the residents of the region.

#### **OUR UNDERSTANDING**

The City of San Luis is experiencing high rates of growth and is confronting a number of significant issues that stand to impact their long-term planning and the quality of life for the residents of the City.

In the 2020 US Spending Bill, the US Government desi \$152.4 million towards the modernization of the San Luis I Port of Entry. Additionally, the bill includes a one-of-a-kind language that provides a 10% margin in the budget without having to seek congressional approval. This means that the project funding is actually \$167 million. Much work needs to take place with the US The General Services Administration (GSA),

and US Customs and Border Protection in order to ensure that the investment being made at San Luis I offers the most benefits possible for San Luis and the entire region.

Additionally, there are various transportation and related infrastructure issues that need to be addressed to handle the expected growth in cross-border traffic and local population growth. As experienced in various other border communities, these types of projects typically serve as catalysts for growth. The challenge is to position the City and the region to be the beneficiary of that growth. Without appropriate planning, the City stands to be bypassed by the growth and be left to deal with the challenges associated with the growth and traffic.

## OUR PROPOSAL

RAI-N, by working with you and the key representatives of the City, will work to help identify the key issues, work to define the areas of concern, help identify strategies to address the concerns and work to build consensus among key stakeholders. In particular, there are a number of key infrastructure projects under way or under consideration that can impact the regions long-term economic viability and sustainability, the opportunities for growth in key sectors and the quality of life for the residents of the region. Some of the projects are of an immediate nature and others will gain greater relevance in the long-run but all have to be considered as part of a broader economic development strategy for the region.

Among the key projects under consideration and are to be monitored – though this is not an all-inclusive list – are:

- The San Luis I Border Station Reconfiguration Project, including working to secure the balance of the original funding request and that the project moves forward with the funding available as quickly and as efficiently as possible;
- Working with Mexican authorities to advance the needed improvements to the Mexican side of the border at San Luis I;
- Promote the flow of cars at San Luis II;
- By working with you and stakeholders, devise and implement strategies that promote the utilization of the San Luis II port of entry ;
- Others as they become better defined or as determined appropriate for consideration.

Among the various areas in which RAI-N will be directly involved, RAI-N will work with the City to ensure that our efforts to achieve the following:

- Assisting in the preparation and dissemination of strategic information that outline the critical areas of need and/or projects;
- Assist the City of San Luis in the implementation of an outreach strategy at the Federal, state and binational levels to raise awareness of the needs of the region;
- Facilitate the dialogue, communication and interaction with key local, state and federal agencies, primarily with the General Services Administration (“GSA”), Customs and Border Protection (“CBP”), and the Arizona Department of Transportation (“ADOT”); and
- As determined appropriate and in full coordination with the US Counterparts, establish similar outreach efforts with the relevant federal, state and municipal entities on the Mexican side as it pertains to the port of entry projects.

In an effort to maintain the City informed of our activities and relevant matters, RAI-N will:

- Provide updates via electronic format to the City. At the request of the City of San Luis, all updates are to be provided to the Mayor, Vice Mayor and City Manager. There will be additional exchanges of communication on as needed basis. Our experience has proven that more frequent reporting can result in an information overload for our clients and thus an inefficient use of time;
- We will continue our efforts to issue *#LuisOnTheBorder: San Luis* newsletter, a newsletter that has garnered a lot of attention from key leaders and decision makers throughout Arizona. This newsletter will be issued a minimum of twice per year. Additional editions may be issues depending on the issues and timeliness of information; and
- RAI-N, as determined appropriate, will participate in leadership meetings, both in person or via teleconference.

## PROFESSIONAL STAFFING

I will be primary point of contact for all services relating to this engagement. Other firm professionals will be involved in this engagement on as needed basis and as determined appropriate by RAI-N.

Should it be deemed appropriate by both the City and RAI-N that third-party professionals be required to provide complementary services in order to effectively execute any portion of this engagement, RAI-N will work with you in order to secure those services. You will be responsible for payment of any third-party services.

## **OUR FEES AND EXPENSES**

RAI-N will require an annual retainer of \$55,000 to be paid in 12 equal payments of \$4,583.33. The retainer reflects a substantial discount of the standard fees, a discount that was requested by the City of San Luis.

Additionally, the City will cover all travel related and out of pocket expenses including but not limited to lodging, airfare and ground transportation as they pertain to this engagement. Invoices are due within 30 days of the date they are received. RAI-N will submit any and all expenses as a direct pass through, without any markup. Delays of more than 30 days in receiving payment will result in a 1% additional charge on a per month basis.

In an effort to help save money for the City, whenever possible and appropriate, RAI-N will travel by rental vehicle whenever ground travel is required. Should the use of a personal vehicle be required, RAI-N will adhere to the federal mileage reimbursement rate, as provided by the US Internal Revenue Service, of \$0.575/mile as of the date indicated on this document.

RAI-N will request prior verification, either in hard copy or via electronic mail in order to incur any expenses in excess of \$100 on behalf of the City. We have found that seeking written approval for expenses that are of lesser quantities can be time consuming. Of course, we do not anticipate incurring any expenses without prior approval from you and a detailed reporting of all expenses will be submitted along with each invoice.

## **GENERAL TERMS AND CONDITIONS**

The duration of this agreement shall be for one (1) year commencing from the date of execution. At the conclusion of that year, the City and RAI-N will jointly assess whether to renew, expand, modify or terminate this agreement. Additionally, either party shall have the option of terminating this agreement by providing a 30-day advance notice in writing and all fees owed to that termination date shall be paid to RAI-N as per the terms of this agreement.

RAI-N adheres to the strictest standards of ethics and professional behavior and provides professional services based on commonly accepted business principles, terms and standards, unless otherwise indicated.

**It is our practice to hold any and all information provided to us by our clients as confidential.**

RAI-N will act as an independent contractor to you and the City, and RAI-N will be directly responsible for any compensation and/or coverage of benefits and taxes to any RAI-N personnel.

**This engagement letter is presented to you and your leadership team only and is to be treated as confidential information at all times.**

#### **CONFIDENTIALITY OF INFORMATION; DISCLOSURE**

RAI-N agrees to maintain in confidence all City or City related information which RAI-N may receive as a result of its work with the City. Further, RAI-N agrees that it will not disclose to anyone, for any reason, or use directly or indirectly to compete with the City or divulge such information that others may use directly or indirectly to compete with the City, any confidential information, including, but not limited to, City information, City lists, trade secrets, data, financial information, negotiation strategies, legal opinions and/or advice, etc., that may be accessible to RAI-N in connection with its working relationship with the City, without express permission of City.

It is understood that RAI-N maintains a working relationship with other persons and legal entities. RAI-N shall promptly disclose the names of all other governmental entities that it is working with in the Country of Mexico and the States of Arizona, or other locations in the United States and the projects that it is working on for the purpose of avoiding conflicts of interest between clients. City agrees that any information disclosed by RAI-N shall be treated as confidential information and must be treated as either private commercial trade secret information or as private work product information of RAI-N.

This agreement is subject to the cancellation provisions of A.R.S. §38-511.

#### **CONCLUSION**

We once again congratulate you and the City for the success in advancing a pro-

growth agenda and for securing the initial round of funding for the modernization of the San Luis I Port of Entry. Much work remains to be done on the modernization project, including securing the balance of the funding and making sure that the project delivers the anticipated results for the City.

I believe that our direct experience in projects on the border, our ability to interact with key stakeholder agencies and entities on both sides of the border and our fully bi-cultural and binational experience allows us to assure you that we will continue to be a value-added member of the City's leadership team. Should you find the terms of this proposal acceptable kindly sign and date it and return it at your earliest convenience.

Thank you in advance for the consideration you give to this proposal. We are excited about working with you in this very unique project and we thank you for the consideration that you give to this proposal.

Respectfully,  
FOR RAMIREZ ADVISORS INTER-NATIONAL, LLC



Luis E. Ramirez, MSFS  
President