

INDEPENDENT CONTRACTOR AGREEMENT

This agreement (“Agreement”) is made this ___ day of December 2022. This Agreement is made at the San Luis City Hall, 1090 East Union Street, City of San Luis, County of Yuma, State of Arizona, between:

City of San Luis
an Arizona municipal corporation
 (“City” or “San Luis”) and

Velez Consulting Services
a sole proprietorship
 (“Consultant”).

The City and the Consultant may be referred to individually as the Party and collectively as the Parties.

RECITALS

- A.** The Consultant has provided services to the City as an Independent Contractor under the amended contract of January 11, 2017.
- B.** Under the November 9, 2022, Addendum to the 2017 contract, City Council contracted the Consultant to take on Interim City Manager services as of October 27, 2022.
- C.** At the November 30, 2022, Council Meeting, the City Council unanimously passed a motion to continue Interim City Manager service with the Consultant. This Agreement is under that direction.
- D.** Ralph Velez of Velez Consulting Services is the person who is to perform the professional services for the City.

In consideration of the matters described in the above recitals and the mutual benefits and obligations in this Agreement, and the covenants it contains, the Parties agree as follows:

SECTION I NATURE OF CONTRACT WORK

The Consultant and the City relationship is that of an Independent Contractor as that term has been defined under Arizona law. The Consultant is to determine the manner and method of work. The Consultant shall work for and under the direction of the City Council as an Independent Contractor providing Interim City Manager services. His regular schedule to be present in person in the City of San Luis shall be:

Monday: Noon to 6:00 p.m.,
Tuesday through Thursday: 7:00 a.m. to 6:00 p.m., and

Friday: 7:00 a.m. to Noon, and shall attend all Council Meetings in addition.

Consultant shall travel outside the City of San Luis if the Mayor or Council determines it necessary or desirable to perform his duties.

SECTION II CONSULTANT'S DUTIES

The Consultant shall perform the duties described for the City Manager in the City Code and the functions and duties specified in the applicable Arizona Statutes, including but not limited to A.R.S. § 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 City's best interests. Business travel outside the City of San Luis may include, but is not limited to: the representation of the City on the Yuma County Intergovernmental Public Transportation Authority Board (which is the Board for the public transport service, YCAT) and Border Trade Alliance Board, as well as participation in the National League of Cities, Arizona League of Cities and Towns, and the ICSC (Innovating Commerce Serving Communities, an economic development resource).

SECTION III TERM

- A. Start:** This Agreement terminates the November 9, 2022, Addendum on Sunday, December 11, 2022, so that the City's billing cycle can start with this Agreement for a start date of Monday, December 12, 2022.
- B. End:** This Agreement expires through the end of Friday, June 30, 2023, which is the last day of the fiscal year.

SECTION IV TERMINATION OF AGREEMENT

- A.** The City Council may terminate this Agreement at any time upon giving at least fourteen (14) day's written notice to Consultant unless the Parties otherwise agree.
- B.** Consultant may terminate this Agreement at any time upon giving at least fourteen (14) days written notice to the Mayor and City Council unless the Parties otherwise agree.

**SECTION V
COMPENSATION**

The City shall pay upon the Consultant's invoice a flat fee of \$6,754.00 every two (2) weeks, starting with the City's billing cycle week of Monday, December 12, 2022. The Consultant is not entitled to receive employment benefits. As an Independent Contractor, the Consultant shall be responsible for obtaining health insurance and other employment benefits the City typically offers. The City shall pay for additional liability insurance covering the services and work of the Consultant.

**SECTION VI
OFFICE SPACE AND EQUIPMENT**

The City shall provide the Consultant with the use of office space, utilities, office equipment, and office supplies that will enable the Consultant to perform the duties of Interim City Manager.

**SECTION VII
CONTRACT TERMS TO BE EXCLUSIVE**

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

**SECTION VIII
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 written agreement of both Parties.

**SECTION IX
HEADINGS**

Headings appearing in this Agreement have been inserted for the purpose of convenience and ready reference. They do not purport to, and shall not be deemed to, define, limit, or extend the scope or intent of the clauses to which they appertain.

**SECTION X
AGREEMENT GOVERNED BY THE LAW OF THE STATE OF ARIZONA**

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, 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.

This Agreement shall be subject to the cancellation provisions of A.R.S. § 38-511.

[Intentionally left blank, signature page follows]

IN WITNESS WHEREOF, the City of San Luis, Arizona has caused this Agreement to be signed and executed on its behalf by its Mayor, duly attested to by its Clerk and Ralph Velez, for Velez Consulting Services, has signed and executed this Agreement at 1090 East Union Street, San Luis, Arizona on the ____ day of December 2022.

City of San Luis, Arizona

Nieves Riedel, Mayor

ATTEST:

Sonia Cornelio, City Clerk

APPROVED AS TO FORM:

Kay Marion Macuil, City Attorney

Velez Consulting Services

Ralph Velez, Owner