

**CONTRACT**

This contract (“Contract”) made this \_\_\_\_ day of July 2024 and is effective as of July 1, 2024, between

<p>Ramírez Advisors Inter-National, L.L.C. 2642 East Thomas Road Phoenix, Arizona 85016</p> <p>an Arizona limited liability company (“RAI-N”) and</p>	<p>City of San Luis City Hall (Physical Address) 1090 East Union Street San Luis, Arizona</p> <p>P.O. Box 1170 (U.S. Mail Address) San Luis, Arizona 85349</p> <p>an Arizona municipal corporation (“City” or the “City of San Luis.”)</p>
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RAI-N and City may be referred to singularly as the “Party” and collectively as the “Parties.”

**RECITALS**

- A. WHEREAS**, the City desires 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 City.
- B. WHEREAS**, the City of San Luis is experiencing high growth rates and is confronting several significant projects that will impact its long-term planning and the quality of life for its residents.
- C. WHEREAS**, the General Services Administration (G.S.A.), with various other federal agencies, has broken ground for the modernization and expansion of San Luis Land Port of Entry 1. There are various transportation and other related infrastructure issues to be addressed to handle the expected growth in cross-border traffic. These projects stand to have a dramatic impact on how the volume of traffic, both commercial and non-commercial, can traverse through the City. As experienced in various other border communities, these 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 planning, the City stands to be bypassed by the growth or to be left to deal with the challenges associated with the growth and traffic.

**D. WHEREAS**, RAI-N has direct experience with projects on the border and the ability to interact with key stakeholder agencies and entities on both sides of the border and is bi-cultural and has binational experience.

**E. WHEREAS**, the services provided are of an expert nature.

**NOW, THEREFORE**, In consideration of the matters described in the above recitals and of the mutual benefits and obligations in this Contract, the Parties agree to continue to maintain RAI-N as a value-added member of the City's leadership team for the current fiscal year as follows:

**SECTION ONE. PURPOSE, RELATIONSHIP AS INDEPENDENT CONTRACTOR AND THE RIGHTS OF THE PARTIES**

1.1 Purpose. RAI-N, by working with 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 the key stakeholders. There are several key infrastructure projects underway or under consideration that can impact the region's long-term economic viability and sustainability, the opportunities for growth in key sectors, and the quality of life for the residents of the City. Some of the projects are immediate, and others will gain greater relevance in the long run. However, they must all be considered as part of a broader economic development strategy for the region.

1.2 Independent Contractor. RAI-N is an independent contractor to the City

Rights of RAI-N. Rights of RAI-N include but are not limited to control of the work, manner and methods of the work, and the right to contract with other employers.

Rights of the City. Rights of the City include but are not limited to inspection and approval of the work and the right to contract with others to perform the work.

Material, Supplies, Equipment, and Tools. RAI-N shall supply, at its own expense, all materials, supplies, equipment and tools required to accomplish the work agreed to be performed under this Contract.

Payroll Taxes. Payroll taxes, including federal, state, and local taxes, shall not be withheld or paid by the City on behalf of RAI-N or for the employees of RAI-N. RAI-N shall not be treated as an employee for federal or state tax purposes regarding the services performed under this Contract. RAI-N shall be responsible for paying all taxes as mandated by law.

Fringe Benefits. Since RAI-N is not an employee of the City, RAI-N is not eligible for and shall not participate in any employee benefit of the City, including pension, health, or other fringe benefits.

## **SECTION TWO. DURATION**

- 2.1 The duration of this Contract shall be for one year, starting July 1, 2024, and ending June 30, 2025.
- 2.2 Either Party shall have the option of terminating this Contract by providing a 30-day advance notice in writing. All fees owed to that termination date shall be paid to RAI-N as per the terms of this Contract.

## **SECTION THREE. RENEWAL**

At the conclusion of the year term of this Contract, the City and RAI-N will jointly assess whether to renew, expand, modify, or terminate this Contract. All renewals shall be in writing and signed by both Parties.

## **SECTION FOUR. OBLIGATION OF RAI-N**

- 4.1 Among the key projects under consideration and are to be monitored – although this is **not** an all-inclusive list are:
  - a. the San Luis I Border Station Reconfiguration Project,
  - b. the San Luis Rio Colorado I Border Station Reconfiguration Project,
  - c. the operations at the San Luis II border station, and
  - d. others as they become better defined or as determined appropriate for consideration.
- 4.2 Among the areas in which RAI-N will be directly involved, RAI-N will work with the City to ensure that its efforts achieve the following:
  - a. assisting in the preparation and dissemination of strategic information that outlines the critical areas of need and/or projects,
  - b. assist the City of San Luis in implementing an outreach strategy at the Federal, state, and binational levels to raise awareness of the needs of the region,
  - c. facilitate the dialogue, communication and interaction with key state federal agencies, primarily with the General Services Administration (“G.S.A.”), Customs and Border Protection (“C.B.P.”), and the Arizona Department of Transportation (“ADOT”),

- d. as determined appropriate and in full coordination with the U.S. 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, and
- e. more as determined appropriate by the City in consultation with RAI-N.

4.3 To inform the City of RAI-N's activities and relevant matters, RAI-N will:

- a. 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 and the entire City Council. There will be additional exchanges of communication on an as-needed basis. RAI-N's experience has proven that more frequent reporting can cause an information overload for its clients and an inefficient use of time.
- b. RAI-N, as determined appropriate, will participate in leadership meetings, both in person or via teleconference.

4.4 Professional Staffing

- a. Luis E. Ramírez Thomas will be the primary point of contact for all services relating to this engagement.
- b. Other firm professionals will be involved in this engagement on an 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 to execute any portion of this engagement effectively, RAI-N will work with the City to secure those services. The City will be responsible for payment of any third-party services.

4.5 Ethics

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

4.6 Confidentiality

RAI-N's practice is to hold any information provided to RAI-N by its clients as confidential. RAI-N agrees to maintain in confidence all City or City-related information that RAI-N may receive as a result of its work with the City. Further, RAI-N agrees that it will not disclose to anyone 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 legal advice, etc., that may be accessible to RAI-N in connection with its working relationship with the City, without the express permission of City or disclosure is

required by law. RAI-N understands that its engagement letter to the City is a public record.

**SECTION FIVE. OBLIGATIONS OF THE CITY**

- 5.1 The City will pay an annual flat retainer rate of \$93,000.00, payable in 12 equal payments of \$7,750.00, for the services described in the letter dated May 7, 2024, attached as Exhibit A and incorporated into this Contract by this reference. This retainer rate reflects a discount on the standard fees, a discount requested by the City.
- 5.2 Additionally, the City will cover all essential travel-related and out-of-pocket expenses, including lodging, airfare, and ground transportation, as they pertain to this engagement. Invoices are due within 30 days of the date the City receives them. Delays of more than 30 days in receiving payment will result in a 1% additional charge on a per-month basis. The City shall have a contingency budget of \$3,500.00 for travel and other contingencies for an expanded scope of work as needed.
- 5.3 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 U.S. General Services Administration, of \$0.67 per mile as of January 1, 2024 (source: GSA.gov).
- 5.4 RAI-N will request prior verification, either in hard copy or via electronic mail, to incur any expenses over \$100 on behalf of the City. Seeking written approval for expenses of lesser quantities can be time-consuming. RAI-N does not anticipate incurring any expenses without prior approval from the City, and a detailed report of all expenses will be submitted with each invoice.

**SECTION SIX. LIABILITY INSURANCE AND INDEMNITY**

- 6.1 Insurance. Without in any way limiting RAI-N’s liability under the indemnification described below, RAI-N shall maintain, during the term of this Contract, the following insurance:

Coverage

<u>Commercial General Liability, including:</u>	<u>Minimum Limits</u>
Premises and Operations	\$1,000,000 Combined Single
Contractual Liability	Limit per occurrence and \$2,000,000
Personal-Injury Liability	general aggregate
Independent Contractors	

## Liability

Comprehensive Automobile Liability  
(including owned, non-owned and  
hired autos)

\$1,000,000 Combined Single Limit, per  
Occurrence

- 6.2 Additional Insured. The City of San Luis, its elected officials, officers, employees, and agents shall be named as an additional insured with respect to liability arising out of the activities performed by, or on behalf of RAI-N. Except for Workers' Compensation and Professional Liability Insurance coverage, such insurance shall include additional endorsements naming the City and its employees, agents, officers, and elected officials as additional insured for claims caused in whole or in part by RAI-N's negligent acts or omissions arising from RAI-N's performance of this Contract. RAI-N shall provide the City with certificates of insurance documenting that RAI-N has obtained the above coverages. Such certificates shall include the required provisions and endorsements required by this Contract. Such Certificates shall include a statement that insurance may not be canceled without thirty (30) days prior written notice to the City by first class mail, postage prepaid, and ten (10) days of notice if cancellation is due to nonpayment of premium.
- 6.3 Primary Insurance Requirement. Each RAI-N policy, including primary, umbrella, and excess policies, shall state that the insurance provided to the additional Insureds is primary and non-contributory to any other insurance (primary, umbrella, excess, self-insurance, or any other basis) available to the additional insured. Any insurance or self-insurance maintained by the City shall be in excess of RAI-N's insurance and shall not contribute to it.
- 6.4 Waiver of Subrogation. RAI-N waives all rights of recovery against the City of San Luis and its employees, agents, officers, and elected officials for losses arising from work performed by or on behalf of RAI-N.
- 6.5 Indemnity. RAI-N agrees to indemnify, hold harmless, and defend the City, its employees, officers, directors, agents, and elected officials from and against all claims, suits, damages, losses, liabilities, debt, judgments, settlements, costs, and expenses including reasonable attorneys' fees, incurred by the City arising from, attributable to or caused by acts or omissions of RAI-N (or its employees, officers, directors, shareholders or agents) in the performance of or related to the performance of the duties of any RAI-N employee (including, but not limited to injuries to RAI-N employees that may or may not be covered by workers compensation insurance); except to the extent that such claims, suits, damages, losses, liabilities, debt, judgments, settlements, costs, and expenses are caused by the negligence, omission, or intentional misconduct of the City.



P.O. Box 1170 (by United States Postal Service)  
San Luis, Arizona 85349

1090 East Union Street (by personal process or courier)  
San Luis, Arizona 85336

With a copy to: San Luis City Attorney  
The City of San Luis  
P.O. Box 1170  
San Luis, Arizona 85349

If to the RAI-N Luis E. Ramirez Thomas  
President  
Ramirez Advisors Inter-National, L.L.C.  
2642 E. Thomas Road  
Phoenix, Arizona 85016

or such other addresses as either Party may, from time to time, designate in writing and deliver in a like manner. Any such change of address notice shall be given at least ten (10) days before the date on which the change is to become effective. Notices, approvals, changes of addresses, and other communications provided for herein shall be effective upon receipt as hereinabove provided, prepaid, and addressed as set forth above.

8.2 Waiver. No delay in exercising any right or remedy shall constitute a waiver thereof. No waiver by the Parties of the breach of any provision of this Contract shall be construed as a waiver of any preceding or succeeding breach of the same or of any other provision of this Contract.

8.3 Headings. The descriptive headings of the paragraphs of this Contract are inserted for convenience only. Headings shall not control or affect the meaning or construction of the provisions of the Contract.

8.4 Authority. The undersigned represent to each other that they have full power and authority to enter into this Contract and that all necessary actions have been taken to give full force and effect to this Contract. RAI-N represents and warrants it is duly formed and validly existing under the laws of the State of Arizona and that it is duly qualified to do business in the State of Arizona and is in good standing under state laws. RAI-N and the City warrant to each other that the individuals executing this Contract on behalf of their respective Parties are authorized and empowered to bind the Party on whose behalf each individual is signing.

8.5 Amendment of the Contract. This Contract may be amended, in whole or in part, only with the mutual written consent of the Parties to this Contract or by their successor in interest.

- 8.6 No Assignment nor Assumption. RAI-N shall not assign the benefits of or delegate the obligations arising under this Contract to any person or entity.
- 8.7 Severability. If any other provision of the Contract is declared void or unenforceable, such provision shall be severed from this Contract, which shall otherwise remain in full force and effect.
- 8.8 Governing Law. The laws of the State of Arizona shall govern the interpretation and enforcement of this Contract. The Parties agree that the venue for any action commenced in connection with this Contract shall be proper only in a court of competent jurisdiction in Yuma County, Arizona. The Parties waive any right to object to such venue.
- 8.9 Attorney's Fees and Costs. If either Party brings legal action because of a breach of this Contract or to enforce a provision of this Contract, the prevailing Party will be entitled to reasonable attorney's fees and court costs.
- 8.10 No Third-Party Beneficiaries. There are no third-party beneficiaries to this Contract, and no person or entity, not a Party, shall have any right or cause of action.
- 8.11 No Agency Created. Nothing in this Contract shall create any partnership, joint venture, or agency relationship between the Parties.
- 8.12 No Personal Liability. No employee, officer, or elected official of the City shall be personally liable to RAI-N, or any successor (a) if any default occurs or breach by the City, (b) for any amount which may become due to the RAI-N or its successor, or (c) under any obligation of the City under this Contract. Notwithstanding anything contained in this Contract to the contrary, the liability of RAI-N under this Contract shall be limited solely to the assets of RAI-N. It shall not extend to or be enforceable against (i) the individual assets of the individuals or entities who are shareholders, members, managers constituent partners, officers or directors of the general partners or members of RAI-N; (ii) the shareholders, members or managers or constituent partners of RAI-N; or (iii) officers of RAI-N.
- 8.13 Force Majeure. No Party shall be liable or responsible to the other Party, nor be deemed to have defaulted under or breached this Contract, for any failure or delay in fulfilling or performing any term of this Contract when and to the extent such failure or delay is caused by or results from acts beyond the impacted Party's reasonable control, including, without limitation, the following *force majeure* events that frustrate the purpose of this Contract: (a) acts of God; (b) flood, fire, earthquake or explosion; (c) war, invasion, hostilities (whether war is declared or not), terrorist threats or acts, riot or other civil unrest; (d) government order, law, or regulation; (e) actions, embargoes or blockades in effect on or after the date of this Contract; (f) action by any governmental authority; (g) national or

regional emergency; (h) strikes, labor stoppages or slowdowns or other industrial disturbances; (i) epidemic or pandemic; (j) state of emergency; (k) shortage of power or transportation facilities; and (l) other similar events beyond the reasonable control of the Impacted Party that frustrate the purpose of this Contract.

- 8.14 Time is of the essence. Time is of the essence in this Contract, and RAI-N agrees to use the utmost diligence to perform the obligations in this Contract.
- 8.15 Entire Agreement. This Contract (including its Exhibit A, which is incorporated into this Contract by this reference) constitutes the entire agreement between the Parties.
- 8.16 Counterparts. This Contract may be executed in counterparts, any of which shall be deemed to be an original.

**SECTION NINE. EFFECT OF AGREEMENT**

This Contract shall inure to the benefit of and bind the heirs, legal representatives, and successors of the respective Parties. The Parties have executed this Contract on the day and year set forth above, which is the day the last Party approved this Contract.

**City of San Luis, Arizona**

\_\_\_\_\_  
Nieves Riedel, Mayor

\_\_\_\_\_  
Date

**ATTEST:**

**APPROVED AS TO FORM:**

\_\_\_\_\_  
Sonia Cornelio, City Clerk

\_\_\_\_\_  
Kay Marion Macuil, City Attorney

**Ramirez Advisors Inter-National, L.L.C.**

\_\_\_\_\_  
Luis E. Ramirez Thomas  
President

\_\_\_\_\_  
Date