

SERVICES AGREEMENT

This services agreement (“Agreement”) made this 18 day of November 2025 and is effective as of July 1, 2025, between:

Yuma Community Food Bank 2404 East 24 th Street #A Yuma, Arizona 85365, an Arizona charitable nonprofit corporation (the “Food Bank”) and	City of San Luis 1090 East Union Street (Physical) P.O. Box 1170 (Mailing) San Luis, Arizona 85349 An Arizona municipal corporation (the “City”)
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The Food Bank and the City may be referred to singularly as the “Party” and collectively as the “Parties.”

In consideration of the mutual benefits and obligations set forth in this Agreement, the Parties agree as follows:

SECTION 1. FOOD BANK SERVICES

- 1.1 The Food Bank shall deliver food to needy persons within the City limits of the City of San Luis no less than twice per month and do so free of charge to said needy persons.
- 1.2 Distribution of food shall at all times conform to all federal, state, and local legal requirements, including, but not limited to, all rules and regulations of the Yuma County Health Department.

SECTION 2. TERM OF AGREEMENT AND TERMINATION

- 2.1 This Agreement shall be in effect from July 1, 2025, and continue through June 30, 2026.
- 2.2 Either Party may terminate this agreement with 30 days of notice without cause. The City shall pay Food Bank for all services rendered to the date of termination at the Food Bank’s regular rate if the Agreement is terminated before June 30, 2026. The Food Bank shall reimburse the City for any payment the City has made above the Food Bank’s regular rate. This Agreement may be terminated by either Party for a material breach of nonperformance of Agreement requirements upon thirty (30) days’ written notice.
- 2.3 Efforts on the part of either Party to negotiate a resolution of any breach of the Agreement shall not constitute a waiver of the right to terminate the Agreement upon thirty (30) days’ notice.

2.4 Funding for this Agreement shall be subject to the San Luis City Council's annual appropriation of funds for this activity under the City's required budget process.

SECTION 3. ACCOUNTABILITY

3.1 Food Bank shall provide the City with quarterly reports detailing its food distribution. Reports shall be sent by e-mail to the City Manager, the Finance Director, and the City Attorney.

SECTION 4. CONSIDERATION

4.1 In consideration for Food Bank performance of the duties listed herein, the City shall pay Food Bank the total flat rate sum of forty thousand U.S. dollars (\$40,000.00) to be paid in quarterly installments of \$10,000.00 within fifteen (15) days of receipt of the quarterly report.

4.2 The City may withhold payment, in whole or in part, as may be necessary to protect it from loss on account of Food Bank failure to render acceptable services, as stated in the performance criteria of Section 1. The San Luis City Manager, or designee, shall investigate and monitor the quality of Food Bank services to determine whether such services are acceptable. Upon determination by the San Luis City Manager that acceptable services are not being rendered, the San Luis City Manager shall notify the Food Bank of the specific deficiencies in performance and provide a reasonable time for the Food Bank to rectify said deficiencies. In no event shall such time to rectify exceed 90 days. Whether or not Food Bank services are acceptable will be the City's exclusive decision.

SECTION 5. NO SUBCONTRACTING OR ASSIGNMENTS

5.1 Food Bank shall not assign the benefits of or delegate the obligations arising under this Agreement to any person or entity. Nor shall Food Bank subcontract any services under this Agreement except for veterinary services.

SECTION 6. INDEMNITY

6.1 Food Bank agrees to indemnify, defend, and hold harmless the City, its officials, employees, and agents from any and all liability, demands, claims, causes of action, suits, or judgments, including costs and expenses incurred in connection with this Agreement, of whatsoever kind or nature, arising out of, in connection with, or incident to, the performance of this Agreement, except those caused by the sole negligence of the City.

6.2 This indemnity agreement shall include any claim made against the City by an employee of Food Bank or subcontractor or agent of Food Bank, even if Food Bank is otherwise immune from liability pursuant to the applicable workers' compensation statute.

6.3 In the event of litigation between the Parties to enforce rights under this section, reasonable attorney's fees and costs shall be allowed to the prevailing Party.

SECTION 7. INSURANCE

7.1 Additional Insured. The policy shall be endorsed to include the following additional insured language: "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 the Contractor."

7.2 Waiver of Subrogation. The policy shall contain a waiver of subrogation against the City of San Luis for losses arising from work performed by or on behalf of the Food Bank.

7.3 Primary and non-contributory. Each 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.

7.4 Minimum Coverage. Food Bank must, at their own expense, purchase and maintain the above minimum insurance with companies duly licensed to do business in the state of Arizona. All policies and forms must be satisfactory to the City. The City requires its prior approval to use alternative insurers. Food Bank acknowledges that the insurance coverage and policy limits set forth below constitute the minimum amount of coverage required. Any insurance proceeds in excess of the limits and coverage required in this Agreement and which is applicable to a given loss will be available to the City. Prior to the beginning and throughout the duration of this Agreement, Food Bank will maintain insurance in conformance with the requirements set forth below:

Type	Coverages	Limits
Commercial General Liability – Occurrence Form	General Aggregate	\$2,000,000
	Products-Completed Operations Aggregate	\$1,000,000
	Personal and Advertising Injury	\$1,000,000
	Each Occurrence	\$1,000,000
Business Automobile Liability	Combined Single Limit (CSL)	\$1,000,000
Worker’s Compensation and Employer’s Liability	Workers’ Compensation	Statutory
	Each Accident	\$1,000,000

	Disease – each employee	\$1,000,000
	Disease - policy limit	\$1,000,000

7.5 Without in any way limiting Food Bank obligations and liability pursuant to the indemnification described above, Food Bank shall maintain, during the term of this Agreement, the above types and amounts of insurance. Food Bank will use existing coverage to comply with these requirements. If that existing coverage does not meet the requirements set forth in the indemnity section of this Agreement, then such coverage shall be amended to do so.

SECTION 8. COMPLIANCE WITH THE LAW

8.1 Food Bank agrees it will comply with all federal, state, and local statutes, laws, ordinances, rules, and regulations, including, but not limited to, obtaining a San Luis Business License before the first food distribution in the City of San Luis. With proof of IRS § 501(c)(3) tax-exempt status, the business license is free under San Luis City Code §110.03.

SECTION 9. PROVISIONS REQUIRED BY ARIZONA LAW

9.1 Conflicts of Interest. This Agreement is subject to the cancelation provisions of A.R.S. § 38-511.

9.2 Employment Eligibility. Food Bank hereby warrants that it is in compliance with all federal immigration laws and regulations that relate to its employees and with A.R.S. §§ 23-214 and 41-4401 relating to verification of employment eligibility. A breach of this warranty shall be deemed a material breach of this Agreement. City retains the legal right to inspect documentation of Food Bank to ensure that Food Bank complies with this warranty.

9.3 Contractor Certifications. The Parties shall certify that they and all contractors comply with the applicable requirements of A.R.S. §§ 35-393.01 and 35-394.

9.4 Food Bank certifies that if Food Bank becomes aware during the term of the Agreement that Food Bank is not in compliance with the written certification, Food Bank shall notify the City within five (5) business days after becoming aware of the noncompliance. If Food Bank does not provide the City with a written certification that Food Bank has remedied the noncompliance within one hundred eighty days after notifying the City of the noncompliance, the Agreement terminates, except that if the Agreement termination date occurs before the end of the remedy period, the Agreement terminates on the Agreement termination date.

SECTION 10. MISCELLANEOUS PROVISIONS

10.1 Notices. All notices to be given under this Agreement, or which may be given by either Party to the other, shall be considered validly given and fully received when

made in writing and delivered or refused delivery by means of prepaid service by: (i) deposit in the United States Postal Service by certified mail, return receipt requested, and postage prepaid, (ii) personal delivery by process server or (iii) sent by a nationally recognized courier (e.g., Federal Express, UPS) and addressed to the respective Parties as follows:

If to the City

City Manager
City of San Luis
P.O. Box 1170 (Mailing)
1090 East Union Street (In Person)
San Luis, Arizona 85349

If to Food Bank

President & CEO
Yuma Community Food Bank
2404 East 24th Street #A
Yuma, Arizona 85365

Copy to:

San Luis City Attorney
City of San Luis
P.O. Box 1170
San Luis, Arizona 85349

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.

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

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

10.4 Authority. The undersigned represent to each other that they have full power and authority to enter into this Agreement and that all necessary actions have been taken to give full force and effect to this Agreement.

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

10.6 Severability. If any other provision of the Agreement is declared void or unenforceable, such provision shall be severed from this Agreement, which shall otherwise remain in full force and effect.

- 10.7 Reformation.** Should any term, provision, covenant, or condition of the Agreement be held to be void or invalid, the Parties shall reform this Agreement to conform as closely as possible to its original intent.
- 10.8 Governing Law.** The laws of the State of Arizona shall govern the interpretation and enforcement of this Agreement.
- 10.9 Venue.** The Parties agree that the venue for any action commenced in connection with this Agreement shall be proper only in a court of competent jurisdiction in Yuma County, Arizona, or in the United States District Court for the District of Arizona at the election of the plaintiff in such legal action. The Parties waive any right to object to such venue. Nothing in this paragraph will be deemed to have authorized the bringing of any legal action in a court that does not otherwise have jurisdiction to adjudicate the legal action.
- 10.10 No Third-Party Beneficiaries.** There are no third-party beneficiaries to this Agreement, and no person or entity not a Party shall have any right or cause of action under this Agreement.
- 10.11 No Agency Created.** It is not intended by this Agreement to, and nothing contained in this Agreement shall, create any agency, partnership, joint venture, or other similar arrangement between the Parties.
- 10.12 No Personal Liability.** No officer, elected official, employee, or agent of the City shall be personally liable to Food Bank, or any successor or assignee, (a) if any default occurs or breach by the City, (b) for any amount which may become due to Food Bank or its successor or assign, or (c) under any obligation of the City under this Agreement. Notwithstanding anything contained in this Agreement to the contrary, the liability of Food Bank under this Agreement shall be limited solely to the assets of Food Bank and 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 Food Bank; (ii) the shareholders, members or managers or constituent partners of Food Bank; or (iii) officers of Food Bank.
- 10.13 Survival.** All representations and warranties of Food Bank, Food Bank indemnity, hold harmless, and defense obligations shall survive the expiration or earlier termination of this Agreement.
- 10.14 Time is of the essence.** Time is of the essence in this Agreement.
- 10.15 Further Acts.** Each of the Parties shall execute and deliver all such documents and perform all such acts as reasonably necessary, from time to time, to carry out the matters contemplated by this Agreement.
- 10.16 Force Majeure.** If Food Bank or the City are prevented or materially restricted from performing any of their obligations under this Agreement by an event of *force*

majeure, then the obligations of each Party shall be suspended or reduced to the extent made necessary by the event. As used in this section, "*force majeure*" means any act or cause not reasonably within the control of the Party whose ability to perform is impaired and which that Party could not have prevented by the exercise of reasonable diligence. This includes but is not limited to, acts of God, fire, flood, explosions, strikes or labor disputes over which the affected Party has no control, sabotage, riots, civil commotion, acts of civil or military authority, wars, material changes in applicable business laws or regulations, or public health emergencies.

10.17 Entire Agreement. This Agreement, including its Exhibits, which are incorporated herein by this reference, constitutes the entire Agreement between the Parties.

10.18 Counterparts. This Agreement may be executed in counterparts, any of which shall be deemed to be an original. Electronically scanned signatures are the same as the original. However, FOOD BANK shall provide the City with the original signature to record the contract.

10.19 Ratification. Acts taken pursuant to this Agreement but prior to its execution are hereby ratified and confirmed.

[Remainder of page intentionally left blank, signatures to follow.]

EXECUTED in Yuma County, Arizona, on the date in the first paragraph of this Agreement, which is the date the last Party signed.

City of San Luis, Arizona

Nieves Riedel
Mayor

Date

Attest:

Approve As to Form:

Sonia Cornelio, City Clerk

Kay Marion Macuil, City Attorney

Date

Food Bank Place, Inc.



Andy Robinson
President & CEO

11-18-25
Date