

Precision Protection Services, LLC

Business Contract | City of San Luis

City of San Luis, San Luis, AZ

Agreement made this _____ day of _____, 2026 between Precision Protective Services, LLC., an Arizona Limited Liability Company, 1314 S 4th Ave., Yuma, AZ 85364 ("PPS") and the City of San Luis, Arizona, an Arizona Municipal Corporation, 1090 E. Union Street, P.O. Box 1170, San Luis, Arizona 85349 (the "City"), with both being referred to singularly as "Party" and collectively as "Parties", on the terms and for the consideration as set forth below.

WHEREAS, The City desires to obtain private security guards to conduct traffic control within the City; and,

WHEREAS, PPS is desirous to provide traffic control services and represents that they have expertise and are qualified to provide such services as described in this Agreement.

NOW THEREFORE, in consideration of the mutual promise and obligations set forth herein, the Parties hereto agree as follows:

I. Length of Contract

The term of the contract shall be from the day of effectiveness, which is the date signed by all Parties on the contract and ends through the period of June 30, 2027, or until the allocated funds are depleted if that occurs before June 30, 2027. This agreement can be canceled, without penalty, by either Party by providing the other Party a written thirty (30) day notice.

II. Services Contracted

- a) PPS shall supply unarmed guards properly licensed by the State of Arizona for performing the duties of traffic control for the City.
- b) The City shall determine on a weekly basis the total number of guards needed for a particular week and PPS agrees to supply said guards up to a maximum of five (5).
- c) The hours of day for traffic control (eight hours per day per guard) are to be determined by City.

III. Terms

- a) The hourly rate for a guard is \$23.50 (twenty-three dollars and fifty cents).
- b) No guard shall be required to work more than 40 (forty) hours per week for five, eight-hour days per week, excluding break periods.
- c) Any additional hours requested will be charged at \$23.50/hr.
 - i. PPS will not charge additional hourly fees for holiday pay.
 - ii. PPS will bill monthly based on the hours worked the previous month.
 - iii. The City maintains the right to reduce hours worked with no penalty for said reduction.
 - iv. PPS will provide \$3 million (three million) dollar liability insurance as described in Section VI.

IV. Contingencies & Equipment

- a) The City shall provide PPS equipment including the following for performing daily duties (as loaned equipment)

- i. Vehicle
 - ii. Radio for communication with Police Department in case of emergency
 - iii. Traffic cones
 - iv. Any necessary barricades/signage for traffic control and route guidance
 - v. Safety helmets
- b) PPS shall provide the following equipment for duty:
 - i. Traffic Wands
 - ii. Vests

V. Indemnification; Hold Harmless

Attorney releases and shall defend, indemnify, and hold harmless the City of San Luis and its officials, officers, employees and agents from and against all claims, cost liabilities, damages, and expenses (including, but not limited to, reasonable attorney's fees and expert fees) arising directly out of or in connection with: (i) Any fault, negligence, strict liability, or product liability of Attorney in connection with the Services of this Agreement; (ii) Any lien asserted upon any property of the City of San Luis in connection with the Services or this Agreement; (iii) Any failure of Attorney to comply with any applicable law, ordinance, rule, regulation, order, license, permit, and other requirement, now or hereafter in effect, of any governmental authority; or Any breach of or default under this Agreement by Attorney. As permitted by applicable law, this shall apply. However, this shall not require PPS to indemnify the City of San Luis against any liability for damages arising out of bodily injury or property damages caused by or resulting from the negligence of the City of San Luis.

Further, in the case of concurrent negligence of PPS on the one hand and the City on the other, PPS shall be required to indemnify the City only to the extent of the negligence of Attorney. PPS releases and shall defend, indemnify, and hold harmless the City from and against all claims, costs, liabilities, damages, and expenses (including, but not limited to, reasonable attorneys' fees and experts' fees).

VI. Insurance

PPS shall purchase and maintain, at its own expense, the minimum insurance coverages provided for herein, with insurance companies duly licensed by the State of Arizona with an AM Best, Inc. rating of A or above with policies and forms satisfactory to the City.

Worker's Compensation and Employer's Liability Coverage: Coverage or insurance in accordance with the applicable laws related to worker's compensation and employer's liability insurance with limits no less than the statutory minimum for the Contractor's employee or employees, if any.

PPS shall procure and maintain during the life of this Agreement (including any extensions) and during the performance of these services, Commercial General Liability Insurance, to protect the City and the Attorney from and against all claims, damages, losses, and expenses arising out or resulting from the performance of these services, as detailed herein-with insurance companies or through sources approved by the City.

The commercial general liability insurance shall be primary, non-contributory with a waiver of subrogation and include the City and its officers, officials, employees and agents as an Additional Named Insured on a Primary Basis. All insurance policies shall be endorsed to provide that no policy shall be canceled, changed, or reduced in coverage for the duration of this Agreement,

including extension, until after thirty (30) days prior written notice has been delivered to the City through certified mail.

A Certificate of Insurance, Including the Additional Named Insured Endorsement for the primary commercial general liability insurance policy, shall be filed with the City Attorney within thirty (30) days of the effective date of this Agreement. This Certificate shall be subject to approval by the City as to company, terms, and coverage. Failure of PPS to fully comply with the requirements set forth herein regarding insurance shall be considered a material breach of contract. It shall be cause for immediate termination of the Agreement and any and all obligations regarding the same.

Insurance shall provide, at a minimum, the types of insurance coverage, liability limits, and endorsements as set forth below and shall be included in all applicable policies and on the Certificate of Insurance. The insurance coverage listed below shall protect PPS and the City from claims for damages of bodily injury, including death resulting therefrom, and claims for property damage, which may arise from operations under this Agreement or by anyone directly employed by PPS. It is understood that it is PPS's obligation to enforce the requirements of this section in respect to any of their employees assisting with the work of this Agreement.

Liability Limits: General Liability (Commercial General Liability Insurance) shall be written with limits of liability of no less than \$3,000,000.00 combined single limits per occurrence and \$5,000,000.00 in aggregate. Professional Liability Insurance, including Errors and Omissions, shall be written with limits in no case less than \$1,000,000.00; Automobile Insurance shall be with a limit of \$1,000,000 each occurrence on PPS's owned, hired, and non-owned vehicles assigned to or used in the performance of the Services.

Nothing contained in these insurance requirements is to be construed as limiting the extent of Attorney's responsibility for payment of damages resulting from operations under this Agreement. The coverage provided by General Liability insurance are primary to any insurance the City maintains. The City shall be named as Primary Additional Insured for General Liability and Automobile Liability.

There shall be included in the general liability insurance contractual coverage sufficiently broad to insure the provisions of that section herein entitled "Hold Harmless Clause."

Failure to comply with provisions contained herein shall not waive PPS's responsibility to provide the required protection. Approval of the insurance by the City shall not relieve or decrease Attorney's liability for any damages arising from their performance of the Work.

VII. Guard Duty for Traffic Control

Under the direct supervision of the Police Department, guide or control pedestrian traffic at such places as may be directed by City including streets, schools, and special events sites. PPS shall monitor traffic flow, direct or stop traffic so as to allow pedestrians to cross streets, and do such other tasks as may be needed to maintain a safe flow of traffic.

VIII. Essential Duties and Responsibilities

a) Observe vehicle and pedestrian traffic and ensure proper safety measures are taken to

- mitigate incidents.
- b) Recognize motor vehicle traffic patterns and safely enlarge traffic gaps and maintain safe vehicular traffic flows.
 - c) Recognize and mitigate against potentially dangerous traffic situations and hazards.
 - d) Work independently and with minimum supervision.
 - e) Choose appropriate times to direct traffic flow, stop traffic flow, and redirect traffic flow.
 - f) Stand in Roadway with proper PPE to navigate traffic using clearly understood hand signals.
 - g) Help verbally direct pedestrians across walking lanes by stopping traffic flow.
 - h) Monitor and report traffic infractions to the police department.

IX. Force Majeure

Neither Party shall be liable to the other or deemed in default under this Contract if and to the extent that such Party's performance of this Contract is prevented by reason or force majeure, as determined by the City. The term "force majeure" means an occurrence beyond the control of the affected Party and not avoidable by reasonable diligence. Force majeure includes acts of God, war, riots, strikes, fire, floods, epidemics, or other similar occurrences. If either Party is delayed by force majeure, said Party shall provide written notification to the other within 48 hours. When the delay ceases, the Party affected shall provide written notice to the other Party. The Contract completion time may be extended by modification for a period equal to that delay caused under this condition. The City reserves the right to cancel the Contract or procure services from the best available source during force majeure, and the Contractor shall have no recourse against the City.

X. General Provisions.

- A. Waiver. No delay in exercising any right or remedy shall constitute a waiver thereof, and no waiver by PPS or City of the breach of any covenant of this agreement shall be construed as a waiver of any preceding or succeeding breach of the same or any other covenant or condition of this contract.
- B. Attorneys' Fees. In the event any Party finds it necessary to bring any action at law or other proceeding, including arbitration, against the another Party to enforce any of the terms, covenants or conditions hereof, or by reason of any breach or default hereunder, the Party prevailing in any such action or other proceeding shall be paid all reasonable costs and reasonable attorneys' fees by the other Party, and in the event any judgment is secured by said prevailing Party, all such costs and attorneys' fees shall be included therein, such fees to be set by the court and not by jury.
- C. Counterparts. This agreement may be executed in one or more counterparts, each of which shall be deemed original, but all of which together shall constitute one and the same instrument. The signature pages from one or more counterparts may be removed from such counterparts and such signature pages all attached to a single instrument so that the signature of all Parties may be physically attached to a single document. PPS shall provide the original, wet ink signature page of this agreement to the City of San Luis Clerks Office for recording.
- D. Certifications. PPS certifies its compliance with the applicable requirements of A.R.S. §§ 35-393 and 35-394.
- E. 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 any of the

provisions hereof.

- F. Further Acts. Each of the Parties hereto 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 contract.
- G. Time of the Essence. Time is of the essence of this contract.
- H. No Partnership and Third Parties. It is not intended by this agreement to, and nothing contained in this agreement shall create any partnership, joint venture or other similar arrangement between PPS or City. No term or provision of this agreement is intended to, or shall, be for the benefit of any person, firm, organization, or corporation not a party hereto, and no such other person, firm, organization, or corporation shall have any right or cause of action hereunder.
- I. Entire Agreement. This agreement constitutes the entire agreement between the Parties hereto pertaining to the subject matter hereof. All prior and contemporaneous agreements, representations, and understandings of the Parties, oral or written, are hereby superseded and merged herein.
- J. Amendment. No change or additions are to be made to this agreement except by a written amendment executed by the Parties hereto.
- K. Governing Law. This agreement is entered into in Arizona and shall be construed and interpreted under the laws of the State of Arizona. In particular, this agreement is subject to the provisions of A.R.S. § 38-511.
- L. Reformation. Should any term, provision, covenant or condition of this agreement be held to be void or invalid, the Parties shall reform this agreement to conform as closely as possible to the original intent thereof.
- M. Venue. Any legal action relating to this agreement shall be brought in either the Yuma County Superior Court or in the United States District Court for the District of Arizona at the election of the plaintiff in such legal action, provided, however, that nothing in this paragraph will be deemed to have authorized the bringing of any legal action in a court which does not otherwise have jurisdiction to adjudicate the legal action.
- N. Severability. Every provision of this agreement is, and will be construed to be, a separate and independent covenant. If any provision of this agreement or the application of the same is, to any extent, found to be invalid or unenforceable, then the remainder of this agreement or the application of that provision to circumstances other than those to which it is invalid or unenforceable, will not be affected by that invalidity or unenforceability, and each provision of this agreement will be valid and will be enforced to the extent permitted by the law, and the Parties will negotiate in good faith for such amendments of this agreement which may be necessary to achieve its intent, notwithstanding such invalidity or unenforceability.
- O. No Personal Liability. No member, official or employee of the City shall be personally liable to PPS, or any successor or assignee, (a) in the event of any default or breach by the City, (b) for any amount which may become due to PPS or its successor or assign, or (c) pursuant to any obligation of the City under the terms of this contract.

- P. Employment Eligibility. PPS hereby warrants, and shall require its subcontractors to warrant, that it is in compliance with all federal immigration laws and regulations that relate to its employees and with A.R.S. §23-214 relating to verification of employment eligibility. A breach of this warranty shall be deemed a material breach of the agreement and is subject to penalties up to and including termination of this agreement. City retains the legal right to inspect the papers of FPA and any contractor or subcontractor employee of FPA to ensure that FPA and any of its contractors or subcontractors are compliant with this warranty.
- Q. Compliance with Law. PPS agrees that it will comply with all federal, state, and local statutes, laws, ordinances, rules and regulations.
- R. Assignment. The rights of each Party under this agreement are personal to that Party and may not be assigned or transferred to any other person, firm, corporation, or other entity without the prior, express, and written consent of the other Party.
- S. Business License. PPS shall obtain and maintain a City of San Luis Business License during the term of this Agreement.
- T. Any notice provided for or concerning this agreement shall be in writing and shall be deemed sufficiently given when sent by certified or registered mail if sent to the respective address of each Party as set forth at the beginning of this agreement.
- U. Survival. All representations and warranties of PPS, PPS's indemnity, hold harmless and defense obligations shall survive the expiration or earlier termination of this Agreement.

In witness whereof, the Parties have caused this agreement to be signed and executed on the ____ day of _____ 2026.

Precision Protection Services L.L.C.

City of San Luis, Arizona

By: _____
Manager

Nieves Riedel, Mayor

Attest:

Approved as to form:

Sonia Cornelio, City Clerk

Joseph D. Estes, City Attorney