

**CITY OF SAN ANTONIO  
INTERDEPARTMENTAL MEMORANDUM  
ASSET MANAGEMENT DEPARTMENT**

**TO:** Mayor and Council

**FROM:** Rebecca Waldman, Director, Department of Asset Management

**THROUGH:** Terry M. Brechtel, City Manager

**COPIES:** Erik J. Walsh, file

**SUBJECT:** Approval of a Delegate Agency Agreement with Centro Alameda, Inc.

**DATE:** December 18, 2003

**SUMMARY AND RECOMMENDATIONS**

An ordinance authorizing the execution of a Delegate Agency Agreement with Centro Alameda, Inc., (CAI) a Texas non-profit corporation, for purposes of providing up to \$175,000 to match funds raised by CAI of equal or greater amount to be used for Museo Americano operating expenses.

Staff recommends approval of this ordinance.

**BACKGROUND INFORMATION**

CAI is the City's tenant at the Centro de Artes Building at Market Square and is in the process of renovating the facility to house the Museo Americano. As CAI is not yet generating revenue from the operation of this facility, they must raise all funds needed for operational and administrative costs associated with the Museo. These include costs associated with the planning of the opening and on-going operation of the Museo. As a part of this summer's FY 2004 budget process, City Council included \$175,000 for Museo operating expenses to match funds raised by CAI.

Under the terms of this Delegate Agency Agreement, CAI will be reimbursed for Museo budgeted operating expenses not to exceed \$175,000 over the one-year term of the Agreement. Their total projected operating expenses are \$1,103,280. The reimbursement will be based on a dollar for dollar match of funds raised by CAI. To be eligible for City match, the CAI funds raised must be: 1) received by CAI after October 1, 2003; 2) designated by the donor for Museo Americano operating expenses or not be designated by the donor for another purpose, and 3) evidenced by a copy of the award check.

**POLICY ANALYSIS**

This action is consistent with the City's policy to provide programming and operational support for non-profit cultural arts groups.

**FISCAL IMPACT**


The \$175,000 grant funds were provided in the General Fund of the 2003/2004 budget.

**COORDINATION**

This item was coordinated with the following departments: City Attorney's Office and the Office of Cultural Affairs.

**SUPPLEMENTAL COMMENTS**

A Discretionary Contract Disclosure form is attached.



Rebecca Waldman, Director  
Department of Asset Management



Erik J. Walsh  
Assistant to the City Manager

Approved:



Terry M. Brechtel  
City Manager

# City of San Antonio

## Discretionary Contracts Disclosure\*

For use of this form, see City of San Antonio Ethics Code, Part D, Sections 1&2

Attach additional sheets if space provided is not sufficient.

State "Not Applicable" for questions that do not apply.

\* This form is required to be supplemented in the event there is any change in the information under (1), (2), or (3) below, before the discretionary contract is the subject of council action, and no later than five (5) business days after any change about which information is required to be filed.

### Disclosure of Parties, Owners, and Closely Related Persons

For the purpose of assisting the City in the enforcement of provisions contained in the City Charter and the Code of Ethics, an individual or business entity seeking a discretionary contract from the City is required to disclose in connection with a proposal for a discretionary contract:

(1) the identity of any **individual** who would be a party to the discretionary contract:

(2) the identity of any **business entity**<sup>1</sup> that would be a party to the discretionary contract:

Centro Alameda, Inc.

and the name of:

(A) any individual or business entity that would be a **subcontractor** on the discretionary contract;

and the name of:

(B) any individual or business entity that is known to be a **partner**, or a **parent** or **subsidiary** business entity, of any individual or business entity who would be a party to the discretionary contract;

(3) the identity of any **lobbyist** or **public relations firm** employed for purposes relating to the discretionary contract being sought by any individual or business entity who would be a party to the discretionary contract.

Taylor West Advertising (contracted for general Public Relations & Marketing services for Centro Alameda / Museo Americano)

### Political Contributions

Any individual or business entity seeking a discretionary contract from the city must disclose in connection with a proposal for a discretionary contract all political contributions totaling one

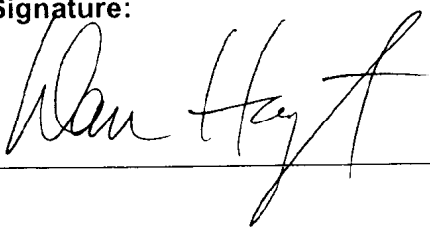
<sup>1</sup> A *business entity* means a sole proprietorship, partnership, firm, corporation, holding company, joint-stock company, receivership, trust, unincorporated association, or any other entity recognized by law.

hundred dollars (\$100) or more within the past twenty-four (24) months made directly or indirectly to any *current* or *former member* of City Council, any *candidate* for City Council, or to any *political action committee* that contributes to City Council elections, by any individual or business entity whose identity must be disclosed under (1), (2) or (3) above. Indirect contributions by an individual include, but are not limited to, contributions made by the individual's spouse, whether statutory or common-law. Indirect contributions by an entity include, but are not limited to, contributions made through the officers, owners, attorneys, or registered lobbyists of the entity.

To Whom Made:	Amount:	Date of Contribution:	Made by (CAI Board member):
Roger O. Flores	\$250	2003	Charles Barrett
Ed Garza	\$500	2003	Bob Crittenden
Carroll Schubert	\$250	2003	Bob Crittenden
Joel Williams	\$100	2003	Bob Crittenden
Ed Garza	\$100	2003	AnaPaula and Mark Watson III
Art Hall	\$500	2003	Henry Muñoz
Chip Haas	\$500	2003	Henry Muñoz
Enrique Martin	\$500	2002	Henry Muñoz
Carroll Schubert	\$100	2002	AnaPaula and Mark Watson III
John Sanders	\$1,000	2001	Henry Muñoz
Carroll Schubert	\$500	2001	Henry Muñoz
Enrique Barrera	\$500	2001	Henry Muñoz
Bobby Perez	\$500	2001	Henry Muñoz
Julian Castro	\$500	2001	Henry Muñoz
Enrique Martin	\$1,000	2001	Henry Muñoz

#### Disclosures in Proposals

Any individual or business entity seeking a discretionary contract with the city shall disclose any known facts which, reasonably understood, raise a question<sup>2</sup> as to whether any city official or employee would violate Section 1 of Part B, Improper Economic Benefit, by participating in official action relating to the discretionary contract.

<b>Signature:</b> 	<b>Title:</b> Executive Director  <b>Company:</b> Centro Alameda, Inc.	<b>Date:</b>  October 14, 2003

<sup>2</sup> For purposes of this rule, facts are "reasonably understood" to "raise a question" about the appropriateness of official action if a disinterested person would conclude that the facts, if true, require recusal or require careful consideration of whether or not recusal is required.

**STATE OF TEXAS**

**COUNTY OF BEXAR**

**DELEGATE AGENCY AGREEMENT**

**CITY OF SAN ANTONIO**

This Agreement is entered into by and between the City of San Antonio (hereinafter referred to as "City"), a Texas Municipal Corporation, acting by and through its City Manager pursuant to Ordinance No. \_\_\_\_\_ dated \_\_\_\_\_, and the Centro Alameda, Inc., a Texas non-profit corporation, (hereinafter referred to as "Contractor").

WITNESSETH:

WHEREAS, the City has adopted a budget for expenditure of certain funds from the General Fund, and included therein is an allocation of funds for a project entitled Museo Americano (hereinafter referred to as "the Project"); and

WHEREAS, The City's Department of Asset Management is designated as the Managing City Department (hereinafter referred to as "Managing City Department") of the City of San Antonio, and

WHEREAS, the City wishes to engage the Contractor to carry out the Project; NOW THEREFORE:

The parties hereto agree as follows:

**I. SCOPE OF WORK**

- 1.1 The Contractor will provide, oversee, administer, and carry out all activities and services in a manner satisfactory to the City and in compliance with the Program Statement, Budget and Performance Measures, attached hereto and incorporated herein as Attachment I.

**II. TERM**

- 2.1 Except as otherwise provided for pursuant to the provisions hereof, this Agreement shall begin on October 1, 2003, and shall terminate on September 30, 2004.
- 2.2 The Contractor understands that this Agreement will terminate as provided in Section 2.1, or sooner as provided in Article XIII. There is no guarantee of renewal in future fiscal years.

**III. CONSIDERATION**

- 3.1 In consideration, the City will reimburse Contractor for expenses incurred in accordance with the budget approved by City Council in Ordinance No. \_\_\_\_\_. It is specifically agreed that reimbursement hereunder shall not exceed the amount of \$175,000.

**IV. PAYMENT**

- 4.1 Payment and financial transactions shall be as follows, if applicable:
- (a) These funds are provided to Contractor for operating expenses associated with Museo Americano.
  - (b) These funds will be provided to Contractor on a dollar for dollar matching basis to match funds raised by Contractor. To be eligible for City matching funds under this contract, the funds must:
    - a. Be received by Contractor after October 1, 2003,
    - b. Be designated by donor for use for operating expenses for Museo Americano or not designated by the donor for another specific purpose, and
    - c. Be evidenced by a copy of the award letter, if provided, and a copy of the check.
  - c) reimbursement of eligible expenses as determined by the City shall be made on a cost reimbursement basis of eligible expenses as determined by the

the City. Reimbursements shall be made on a periodic basis for allowable costs incurred as a direct result of City funded services provided by the Contractor in accordance with terms of this Contract. Requested reimbursement must be consistent with the terms and provisions of the approved budgeted line items described within the Contract Exhibit (*Budget, Anticipated Expenses* ). In no event shall the City be liable for any expense of the Contractor not eligible for reimbursement as defined within the Contract.

- (d) all requests for reimbursement shall be accompanied with documentation as may be required by the City;
- (e) With regard to City funds provided under the terms of the Agreement, Contractor agrees that no budget line item shifts of funds may be made by the Contractor without the prior written approval of Managing City Department. The Director of the Department of Asset Management or a designee shall have the authority to execute an amendment to this Contract that makes such approved budget line item shifts of funds without the necessity of seeking subsequent City Council approval so long as the total budget does not exceed the amount set forth in section 3.1 of this Contract.
- (f) the final request for payment to the City must be submitted not later than forty-five (45) days after the Agreement end date. All vendors must be notified by Contractor that bills, adjustments, etc., presented after fifteen (15) days from the date of termination will not be honored for payment;
- (g) all expenditures by Contractor or any approved subcontractor exceeding \$5,000 must be pre-approved in writing by the City (any request for pre-approval not acted upon by the City within 30 days of submittal is deemed approved) and if pre-approved, must be made in accordance with all applicable federal, state and local laws, rules and regulations including all bidding requirements that City would be required to perform under Chapter 252 of the Local Government Code;
- (h) contractor shall maintain a financial management system, and acceptable accounting records that provide for:
  - (1) Records that adequately identify the source and application of funds for project activities. Such records shall contain information pertaining to City awards, authorizations, obligations, unobligated balances, assets, equity, outlays, and income;
  - (2) Effective control over and accountability for all funds, property, and other assets. The Contractor shall adequately safeguard all assets and shall assure that they are used solely for authorized purposes. Contractor shall maintain a separate numbered account for all funds received and disbursed through this Contract.
  - (3) Comparison of actual outlays with budget amounts for each award. Whenever appropriate or required by the City, financial information should be related to performance and unit cost data;
  - (4) Procedures to minimize the time elapsing between the transfer of funds from the City and the disbursement of said funds by the Contractor;
  - (5) Procedures for determining reasonable, allowable, and allocable costs in accordance with the provisions of any and all applicable cost principles, and the terms of the award, grant, or Contract with the City; and
  - (6) Accounting records that are supported by source documentation (i.e., Timesheets, Employee Benefits, Professional Services Agreements, Purchases, and other documentation as required by City.) Contractor shall maintain records and shall meet necessary requirements under the Generally Acceptable Accounting Principle [GAAP.]

- (i) an accounting system using the accrual basis of generally accepted accounting principles which accurately reflects all costs chargeable (paid and unpaid) to the project should the project terminate the next day is mandatory. A Receipts and Disbursements Ledger must be maintained. A general ledger with an Income and Expense Account for each budgeted line item is necessary. Paid invoices revealing check number, date paid and evidence of goods or services received are to be filed according to the expense account to which they were charged;
- (j) all records and files on the Project funded by this Agreement will be open for inspection and audit at any reasonable time during the term hereof by representatives of the City or the State or Federal Government, and shall continue to be so available for a period of three (3) years after the termination date hereof; If at the end of three (3) years, there is litigation or if the audit report covering such agreement has not been accepted, the Contractor shall retain the records until the resolution of such litigation or audit;
- (k) Contractor must deposit City funds in a bank insured with the Federal Deposit Insurance Corporation (FDIC.) In those situations where Contractor's total deposits, including all City funds deposited in such account, exceed the FDIC insurance limit, the Contractor must arrange with its bank to automatically have the excess collaterally secured. A written copy of the collateral agreement must be obtained by Contractor from the Contractor's banking institution, maintained on file and be available for City monitoring reviews and audits. Advanced funds that cause the Contractor's account balance to exceed \$100,000 shall be deposited in a manner consistent with the Public Funds Investment Act (Chapter 2256) effective 9/2001 as amended.
- (l) the City shall not be obligated to any third parties (including any subcontractors of the Contractor);
- (m) Contractor is liable for complying with all local, State and Federal laws including, but not limited to:
  - (1) being a legal entity
  - (2) possessing tax exempt status from Internal Revenue Service and State Comptroller Office, where applicable
  - (3) Worker's Compensation
  - (4) Unemployment Insurance
  - (5) timely deposits of payroll deductions
  - (6) filing of Return or Organization Exempt from Income Tax, Form 990 or 990T, Quarterly Tax Return, Form 940, Form W-2, Form 1099 for individuals who received compensation other than wages, such as car allowance, contract or consultant work, etc.
  - (7) minimum wage and discrimination laws
  - (8) Occupational Safety and Health Act regulations;
  - (9) all bidding requirements that the City would be required to perform under Chapter 252 of the Local Government Code;
- (n) at the termination of this Agreement, all unclaimed (30 days or older) salaries or wages must be returned to City in the following form:
  - (1) a cashier's check for the aggregate amount made payable to the City of San Antonio
  - (2) a listing showing the Social Security number, full name, last known complete address and the amount for each person involved;
- (o) notwithstanding any other remedy contained herein or provided by law, the City may delay, suspend, limit, or cancel rights or privileges herein given the Contractor for failure to comply with the letter or spirit of this Agreement. Specifically, the City may withhold reimbursements in cases where it determines that the Contractor is not in compliance with this Agreement or has not obtained satisfactory accomplishment of projected program goals;

- (p) equipment or major non-recurring expenses (\$200.00 or more) may not be purchased without prior written consent of the City during the last four (4) months of this Agreement;
- (q) Contractor costs or earnings claimed under this contract may not be claimed under another contract or grant from another agency;
- (r) Contractor shall establish and utilize a cost allocation methodology and plan which assures that the City is paying only its fair share of the costs for services, overhead, and staffing not solely devoted to the programs funded by this Agreement. The cost allocation plan and supportive documentation shall be included in the audit of Contractor's program;
- (s) Upon completion or termination of this project, any unused funds, rebates or credits must be returned immediately upon receipt to the City; and
- (t) The Contractor agrees to relinquish and transfer possession of and, if applicable, title to said property without the requirement of a court order upon termination of this Contract. Equipment (non-expendable property) that has reverted to the Contractor through a City-paid lease agreement with option to buy will be considered the same as though the equipment was purchased outright with City funds. It is understood that the terms, "equipment" and "property" as used herein, shall include not only furniture and other durable property, but also vehicles.
- (u) Contractor agrees that no equipment (non-expendable property) purchased with City funds may be disposed of without receiving prior written approval from the Department of Asset Management. In cases of theft and/or loss of equipment, it is the responsibility of the Contractor to replace it with like equipment. City funds cannot be used to replace equipment in those instances. All replacement equipment will be treated in the same manner as equipment purchased with City funds.

Contractor shall maintain records on all items obtained with City funds to include:

- (1) A description of the equipment, including the model and serial number, if applicable;
- (2) The date of acquisition, cost and procurement source, purchase order number, and vendor number;
- (3) An indication of whether the equipment is new or used;
- (4) The vendor's name (or transferred from);
- (5) The location of the property;
- (6) The property number shown on the property tag; and,
- (7) A list of disposed items and disposition

The Contractor is fully and solely responsible for the safeguarding, maintaining and reporting of lost, stolen, missing, damaged, or destroyed equipment/property purchased or leased with City funds. All lost, stolen, missing, damaged and/or destroyed equipment/property shall be reported to the local Police Department and, if applicable, the Federal Bureau of Investigation (FBI.) The Contractor shall make such reports immediately and shall notify and deliver a copy of the official report to the Department of Asset Management.

The report submitted by Contractor to the Department of Asset Management shall minimally include:

- (1) A reasonably complete description of the missing, damaged or destroyed articles of property, including the cost and serial number and other pertinent information;
- (2) A reasonably complete description of the circumstances surrounding the loss, theft, damage or destruction; and,
- (3) A copy of the official written police report or, should the Police not make such copy available, a summary of the report made to the Police, including the date the



report was made, the name and badge number of the Police Officer who took the report.

(v) Contractor shall establish and utilize a cost allocation methodology and plan which assures that the City is paying only its fair share of the costs for services, overhead, and staffing not solely devoted to the Project funded by this Contract. The cost allocation plan and supportive documentation shall be available to the City for review.

(w) Upon execution of this Contract or anytime during the term of this Contract, the City's Director of Finance, or a person designated by the Department of Asset Management may review and approve all Contractor's system of internal accounting and administrative controls prior to the release of funds hereunder.

#### V. ADMINISTRATION OF AGREEMENT

5.1 In addition to the terms of this Agreement, Contractor agrees to comply with the following (as applicable to the organization and/or program):

- (a) Office of Management and Budget Circular A-87, entitled "Cost Principles for State, Local and Indian Tribal Governments";
- (b) Office of Management and Budget Circular A-133, entitled "Audits of States, Local Governments, and Not for Profit Organizations";
- (c) Office of Management and Budget Circular A-102, entitled "Grants and Cooperative Agreements with State and Local Governments";
- (d) Treasury Department Circular 1075, Title 31 CFR Part 205, as revised, entitled "Regulations Governing Withdrawal of Cash from the Treasury for Advance under Federal Grant and Other Programs";
- (e) Office of Management and Budget Circular A-122, entitled "Cost Principles for Non-Profit Organizations"; and
- (f) Uniform Grant and Contract Management Standards.
- (g) Office of Management and Budget Circular A-21, entitled "Cost Principles for Educational Institutions."

5.2 The Contractor understands that certain funds provided it pursuant to this Agreement are funds which have been made available by the City and that it will, therefore, comply with all rules, regulations, policies, and procedures applicable to these funds as directed by the City. This section shall also incorporate and the Contractor agrees to abide by any and all future amendments or additions to such rules and regulations as they may be promulgated.

5.3 In the event that any disagreement or dispute should arise between the parties hereto pertaining to the interpretation or meaning of any part of this Agreement or its governing rules, regulations, laws, codes or ordinances, City, as the party ultimately responsible for all matters of compliance with City of San Antonio rules and regulations, shall have the final authority to render or secure an interpretation.

5.4 Contractor shall not use funds awarded from this Contract as matching funds for any Federal, State, or local grant without the prior written approval of the Department of Asset Management.

5.5 The City shall have the authority to make physical inspections to the operating facility occupied to administer this Contract and to require such physical safeguarding devices as locks, alarms, safes,

fire extinguishers, sprinkler systems, etc. to safeguard property and/or equipment authorized by this Contractor.

Contractor shall establish and use internal program management procedures to preclude theft, embezzlement, improper inducement, obstruction of investigation or other criminal action, and to prevent fraud and program abuse. Said procedures shall be provided to the City's Department of Asset Management upon request. 5.7 Contractor agrees to comply with the following check procedures:

(1) No blank checks are to be signed in advance.

(2) No checks are to be made payable to cash or bearer with the exception of those for petty cash reimbursement, not to exceed a \$100.00 maximum per check. Contractor agrees that the aggregate amount of petty cash reimbursement shall not exceed \$200.00 for any given calendar month during the term of the Contract unless Contractor receives prior written approval from the Department of Asset Management to exceed such limit.

(3) Checks issued Contractor that are not cashed within sixty (60) days from the date of issue, shall be investigated and stop-payment orders issued, as applicable. Upon cancellation of any outstanding check, if deemed appropriate by City, such check shall be reissued to the Contractor or if deemed by Department of Asset Management not to be a valid expense, such check shall be immediately returned to the City.

5.8 City reserves the right to request Contractor to provide records for authorized long distance calls charged to the City's allocated budget.

5.9 The costs associated with budgeted travel for business in connection with the Contract, under the City's allocated budget, whether in-town or out-of-town, are allowable costs provided (a) Contractor has first obtained written approval of such costs from City and provided further that Contractor maintain and provides to city detailed documentation specific to such business travel expenses, and (b) Costs associated with out-of-town travel must be no more liberal than the City of San Antonio's travel policies.

The purpose of the trip along with complete documentation of expenses and copies of all receipts are required to be maintained in the Contractor's files.

5.10 Contractor agrees that car allowance paid to Contractor's employees shall be paid at a rate no more liberal than the City's policy for car allowance. Contractor further agrees that in order for its employees to be eligible for a car allowance, the employees (1) shall be required to possess a valid Texas Driver's License and liability insurance as required by law and (2) must record on a daily basis, odometer readings before and after business use, showing total business miles driven each day and must keep such record in the vehicle. Mileage records are subject to spot-checks by City auditors and monitors. Contractor shall strongly encourage the participation by its employees in an approved defensive driving course. Evidence of the required driver's license and liability insurance must be kept on file with Contractor.

## VI. AUDIT

6.1 If Contractor expends \$50,000.00 or more of City dollars during the term of this Agreement, the Contractor shall furnish the City with an audit conducted by an outside independent auditor, within one hundred and twenty (120) days of the close of Contractor's fiscal year or termination of this Agreement. If the amount of funds to be paid to Contractor in Article III of this Agreement is for \$50,000.00 or more, then the Contractor further agrees to provide a line item in their budget for a financial statement audit prepared by an independent outside auditor. If the City determines, in its sole discretion, that Contractor is in violation of the above requirements, the City shall have the right to dispatch auditors of its choosing to conduct the required audit and to have the Contractor pay for such audit.

6.2 Should any expense or charge that has been reimbursed be subsequently disapproved or disallowed as a result of any audit, the Contractor shall refund such amount to the City. The

Contractor further authorizes the City to deduct such amount or charge as a claim against future payments.

## VII. RECORDS AND REPORTING

7.1 The City's Department of Asset Management is assigned monitoring, fiscal control, and evaluation of this project. Therefore, at such times and in such form as may be required, the Contractor shall furnish such statements, records, data, and information and permit such interviews with personnel and board members pertaining to the matters covered by this Agreement.

7.2 The Contractor will submit to the City such reports as may be required by the City.

The City may from time to time, request changes in the scope of the services to be performed by the Contractor. Such changes, including any increase or decrease in the amount of the Contractor's compensation, must be incorporated in written amendments to this Agreement in accordance with section 18.1 of this Agreement.

The Director of the Department of Asset Management or his/her designee shall have the authority to execute an amendment to this Agreement, including an amendment to the length of the term set forth in Article II, without the necessity of seeking subsequent City Council approval so long as the terms of the amendment stay within the parameters set forth in Attachment I.

7.3 In accordance with Texas law, Contractor acknowledges and agrees that all local government records created or received in the transaction of official business or the creation or maintenance of which were paid for with public funds are declared to be public property and subject to the provisions of Chapter 201 of the Texas Local Government Code and Subchapter J, Chapter 441 of the Texas Government Code. Thus, Contractor agrees that no such local government records produced by or on the behalf of Contractor pursuant to this Agreement shall be the subject of any copyright or proprietary claim by Contractor.

The term "local government record" as used herein shall mean any document, paper, letter, book, map, photograph, sound or video recording, microfilm, magnetic tape, electronic medium, or other information recording medium, regardless of physical form or characteristic and regardless of whether public access to it is open or restricted under the laws of the state, created or received by local government or any of its officers or employees pursuant to law including an ordinance, or in the transaction of official business.

Contractor acknowledges and agrees that all local government records, as described in herein, produced in the course of the work required by this Agreement, shall belong to and be the property of City and shall be made available to the City at any time. Contractor further agrees, to turn over to City, all such records upon termination of this Agreement. Contractor agrees that it shall not, under any circumstances, release any records created during the course of performance of this Agreement to any entity without City's written permission, unless required to do so by a Court of competent jurisdiction.

## I. INSURANCE

8.1 Contractor agrees to comply with the following insurance provisions:

- (a) Prior to the commencement of any work under this Agreement, Contractor shall furnish an original completed Certificate(s) of Insurance to the City's Department of Asset Management and City Clerk's Office, which shall be completed by an agent authorized to bind the named underwriter(s) and their company to the coverage, limits, and termination provisions shown thereon, and which shall furnish and contain all required information referenced or indicated thereon. The original certificate(s) must have the agent's original signature, including the signer's company affiliation, title and phone number, and be mailed directly from the agent to the City. The City shall have no duty to pay or perform under this Agreement until such certificate shall have been delivered to the City's Department of Asset Management and the City Clerk's Office, and no officer or employee, other than the City's Risk Manager, shall have authority to waive this requirement. If the City in its sole discretion determines

that Contractor is in violation of the above requirements, the City shall have the right to dispatch auditors of its choosing to conduct the required audit. In such an event, Contractor shall pay for such audit.

- (b) The City reserves the right to review the insurance requirements of this section during the effective period of this Agreement and any extension or renewal hereof and to modify insurance coverage and their limits when deemed necessary and prudent by the City's Risk Manager based upon changes in statutory law, court decisions, or circumstances surrounding this Agreement, but in no instance will the City allow modification whereupon the City may incur increased risk.
- (c) A Contractor's financial integrity is of interest to the City, therefore, subject to Contractor's right to maintain reasonable deductibles in such amounts as are approved by the City, Contractor shall obtain and maintain in full force and effect for the duration of this Agreement, and any extension hereof, at Contractor's sole expense, insurance coverage written on an occurrence basis, by companies authorized and admitted to do business in the State of Texas and rated A- or better by A.M. Best Company and/or otherwise acceptable to the City, in the following types and amounts:

<u>TYPE</u>	<u>AMOUNT</u>
1. Workers' Compensation* Employers' Liability	Statutory \$1,000,000/\$1,000,000/\$1,000,000
2. Commercial General (public)	Liability Insurance to include coverage for the following:
a. Premises/Operations	
b. Independent contractors	For Bodily Injury and
c. Broad Form Contractual Liability	and Property Damage of
d. Products/completed operations	\$1,000,000 per
e. Broad Form Property Damage, To include fire legal liability*	occurrence \$2,000,000 general
f. Personal Injury	aggregate or its equivalent
g. Explosion, collapse, underground And property damage Personal Injury*	in umbrella or excess liability coverage
3. Business Automobile Liability*	
a. Owned/leased vehicles	Combined Single Limit for Bodily
b. Non-owned vehicles	Injury and Property Damage of
c. Hired vehicles	\$1,000,000 per occurrence.

\*if applicable

- (d) The City shall be entitled, upon request and without expense, to receive copies of the policies and all endorsements thereto as they apply to the limits required by the City, and may make a reasonable request for deletion, revision, or modification of particular policy terms, conditions, limitations or exclusions (except where policy provisions are established by law or regulation binding upon either of the parties hereto or the underwriter of any such policies). Upon such request by the City, the Contractor shall exercise reasonable efforts to accomplish such changes in policy coverage, and shall pay the cost thereof.
- (e) Contractor agrees that with respect to the above required insurance, all insurance contracts and Certificate(s) of Insurance will contain the following required provisions:
  - Name the City and its officers, employees, volunteers and elected representatives as additional insureds as respects operations and activities of, or on behalf of, the named insured performed under contract with the City, with the exception of the workers' compensation and professional liability policies;

- The Contractor's insurance shall be deemed primary with respect to any insurance or self insurance carried by the City of San Antonio for liability arising out of operations under this Agreement with the City of San Antonio; and
  - Workers' compensation and employers' liability policy will provide a waiver of subrogation in favor of the City.
- (f) Contractor shall notify the City in the event of any notice of cancellation, non-renewal or material change in coverage and shall give such notices not less than thirty (30) days prior to the change, or ten (10) days notice for cancellation due to non-payment of premiums, which notice must be accompanied by a replacement Certificate of Insurance. All notices shall be given to the City at the following address:

**City of San Antonio**

**Department of Asset Management  
P.O. Box 839966  
San Antonio, TX 78283-3966**

**City of San Antonio**

**City Clerk's Office  
P.O. Box 839966  
San Antonio, TX 78283-3966**

- (g) If Contractor fails to maintain the aforementioned insurance, or fails to secure and/or maintain the aforementioned endorsements, the City may obtain such insurance, and deduct and retain the amount of the premiums for such insurance from any sums due under the agreement; however, procuring of said insurance by the City is an alternative to other remedies the City may have, and is not the exclusive remedy for failure of Contractor to maintain said insurance or secure such endorsement. In addition to any other remedies the City may have upon Contractor's failure to provide and maintain any insurance or policy endorsements to the extent and within the time herein required, the City shall have the right to order Contractor to stop work hereunder, and/or withhold any payment(s) which become due, to Contractor hereunder until Contractor demonstrates compliance with the requirements hereof.

Nothing herein contained shall be construed as limiting in any way the extent to which Contractor may be held responsible for payments of damages to persons or property resulting from Contractor's or its subcontractors' performance of the work covered under this Agreement.

- (h) It is expressly understood and agreed to by Contractor that additional insurance (e.g. professional liability, motor truck cargo insurance, payment and performance bonds, builders risk, pollution, a fuel storage tank, environmental, commercial crime/fidelity bond, or other insurance as required by the City's Risk Manager) may have to be purchased by the Contractor if the City determines at the time of Agreement execution that such insurance is applicable.

## IX. INDEMNITY

### 9.1 CONTRACTOR AGREES TO COMPLY WITH THE FOLLOWING INDEMNITY PROVISION:

- (a) Contractor covenants and agrees to FULLY INDEMNIFY, and HOLD HARMLESS, the City and the elected officials, employees, officers, directors, volunteers, and representatives of the City, individually or collectively, from and against any and all costs, claims, liens, damages, losses, expenses, fees, fines, penalties, proceedings, actions, demands, causes of action, liability and suits of any kind and nature, including but not limited to, personal or bodily injury, death and property damage, made upon the City directly or indirectly arising out of, resulting from or related to Contractor's activities under this Agreement, including any acts or omissions of Contractor, any agent, officer, director, representative, employee, consultant or subcontractor of Contractor, and their respective officers, agents, employees, directors and representatives while in the exercise of performance of the rights or duties under this Agreement, all without however, waiving any governmental immunity available to the City under Texas Law and without waiving any defenses of the parties under Texas Law. IT IS FURTHER COVENANTED AND AGREED THAT SUCH INDEMNITY SHALL APPLY EVEN WHERE SUCH COSTS, CLAIMS, LIENS, DAMAGES, LOSSES, EXPENSES, FEES, FINES, PENALTIES, ACTIONS, DEMANDS, CAUSES OF ACTION, LIABILITY AND/OR SUITS ARISE IN ANY PART FROM THE NEGLIGENCE OF

**CITY, THE ELECTED OFFICIALS, EMPLOYEES, OFFICERS, DIRECTORS AND REPRESENTATIVES OF CITY, UNDER THIS AGREEMENT. The provisions of this INDEMNITY are solely for the benefit of the parties hereto and not intended to create or grant any rights, contractual or otherwise, to any other person or entity. Contractor shall promptly advise the City in writing of any claim or demand against the City or Contractor known to Contractor related to or arising out of Contractor's activities under this Contract and shall see to the investigation of and defense of such claim or demand at Contractor's cost. The City shall have the right, at its option and at its own expense, to participate in such defense without relieving Contractor of any of its obligations under this paragraph.**

- (b) **It is the EXPRESS INTENT of the parties to this Agreement, that the INDEMNITY provided for in this Section, is an INDEMNITY extended by Contractor to INDEMNIFY, PROTECT and HOLD HARMLESS, the City from the consequences of the CITY's OWN NEGLIGENCE, provided however, that the INDEMNITY provided for in this section SHALL APPLY only when the NEGLIGENT ACT of the City is a CONTRIBUTORY CAUSE of the resultant injury, death, or damage, and shall have no application when the negligent act of the City is the sole cause of the resultant injury, death, or damage. CONTRACTOR further AGREES TO DEFEND, AT ITS OWN EXPENSE, and ON BEHALF OF THE CITY AND IN THE NAME OF THE CITY, any claim or litigation brought against the City and its elected officials, employees, officers, directors, volunteers and representatives, in connection with any such injury, death, or damage for which this INDEMNITY shall apply, as set forth above.**

#### **X. SMALL, MINORITY OR WOMAN OWNED BUSINESS ADVOCACY POLICY**

10.1 Contractor agrees to comply with the following Small, Minority or Woman-owned Business Advocacy Policy:

- (a) Contractor is hereby advised that it is the policy of the City of San Antonio that Small, Minority or Woman-owned Business Enterprises shall have the maximum practical opportunity to participate in the performance of public contracts. Contractor agrees that Contractor will not discriminate against any individual or group on account of race, color, sex, age, religion, national origin or disability and will not engage in employment practices which have the effect of discriminating against employees or prospective employees because of race, color, religion, national origin, sex, age or disability. Contractor further agrees that Contractor will abide by all applicable terms and provisions of City's Non-Discrimination Policy, City's Small, Minority or Woman-owned Business Advocacy Policy and City's Equal Opportunity Affirmative Action policy, these policies being available in City's Department of Economic Development and the City Clerk's Office.
- (b) If the amount of funds to be paid to Contractor in Article III of this Agreement is for \$200,000.00 or more, then the Contractor agrees to submit to the City a Good Faith Effort Plan (GFEP) indicating Contractor's utilization of Small, Minority and Woman-owned Business Enterprises no later than fifteen (15) days from the date of execution of this Agreement. If City approves the GFEP, and the City subsequently finds material deficiencies in any aspect of the GFEP, Contractor will be required to submit a written report to City's Department of Economic Development. The Contractor will also be required to submit a supplemental Good Faith Effort Plan indicating efforts to resolve any deficiencies. A denied Supplemental Good Faith Effort Plan, by the City's Department of Economic Development, will constitute failure to satisfactorily resolve any deficiencies by the Contractor. Failure to obtain an approved Supplemental Good Faith Effort Plan, within ninety (90) days of initial denial shall constitute a default and result in penalty on the Contractor of \$1,000.00 per day as liquidated damages for the default until all deficiencies are resolved. Failure to cure all deficiencies within another ninety (90) days of the date the penalty is initially assessed constitute a further (additional) condition of default by the Contractor and which can, at the option of the Director, result in forfeiture of the entirety of this Agreement.

## XI. APPLICABLE LAWS

- 11.1 The Contractor certifies that it will provide a drug-free workplace in compliance with the Drug-Free Workplace Act of 1988 and the Drug-Free Workplace Rules established by the Texas Worker's Compensation Commission effective April 17, 1991. Failure to comply with the above referenced law and regulations could subject the Contractor to suspension of payments, termination of this Agreement, and debarment and suspension actions.
- 11.2 The Contractor will adhere to City of San Antonio policies and procedures, as they now exist or as they may subsequently be adopted, in all respects, so that Contractor's policies will be no more liberal than the City of San Antonio's policy and procedures.
- 11.3 All of the work performed under this Agreement by Contractor shall comply with all applicable laws, rules, regulations and codes of the United States and the State of Texas and with the charter, ordinances, bond ordinances, and rules and regulations of the CITY OF SAN ANTONIO and County of Bexar.
- 11.4 Contractor shall not engage in employment practices which have the effect of discriminating against any employee or applicant for employment, and, will take affirmative steps to ensure that applicants are employed and employees are treated during employment without regard to their race, color, religion, national origin, sex, age, handicap, or political belief or affiliation. Specifically, Contractor agrees to abide by all applicable provisions of San Antonio City ordinance number 69403 on file in the City Clerk's Office. Additionally, Contractor certifies that it will comply fully with the following nondiscrimination and equal opportunity provisions:
- a. Titles VI and VII of the Civil Rights Act of 1964, as amended;
  - b. Section 504 of the Rehabilitation Act of 1973, as amended;
  - c. The Age Discrimination Act of 1975, as amended;
  - d. Title IX of the Education Amendments of 1972, as amended; and
  - e. All applicable regulations implementing those laws.

## XII. NO SOLICITATION

- 12.1 The Contractor warrants that no person or selling agency or other organization has been employed or retained to solicit or secure this Agreement upon an agreement or understanding for a commission, percentage, brokerage, or contingent fee. For breach or violation of this warrant the City shall have the right to annul this Agreement without liability or, at its discretion, to deduct from this Agreement or otherwise recover the full amount of such commission, percentage, brokerage, or contingent fee, or to seek such other remedies as legally may be available.

## XIII. TERMINATION

- 13.1 Termination for Cause - Should the Contractor fail to fulfill, in a timely and proper manner, obligations under this Agreement to include performance standards established by the City, or if this Contractor should violate any of the covenants, agreements, or stipulations of this Agreement, the City shall thereupon have the right to terminate this Agreement by sending written notice to the Contractor of such termination and specify the effective date thereof (which date shall not be sooner than the end of thirty (30) days following the day on which such notice is sent). The Contractor shall be entitled to receive just and equitable compensation for any work satisfactorily completed prior to such termination date. The question of satisfactory completion of such work shall be determined by the City alone, and its decision shall be final. It is further expressly understood and agreed by the parties that Contractor's performance upon which final payment is conditioned shall include, but not be limited to, the Contractor's complete and satisfactory performance, of its obligations for which final payment is sought.
- 13.2 Termination for Convenience - This Agreement may be terminated in whole or in part when the City determines that continuation of the project would not produce beneficial results commensurate with the further expenditure of funds. Such termination by City shall specify the date thereof, which date shall not be sooner than thirty (30) days following the day on which notice is sent. The Contractor shall also have the right to terminate this Agreement and specify the date thereof, which date shall not be sooner

than the end of thirty (30) days following the day on which notice is sent. The Contractor shall be entitled to receive just and equitable compensation for any work satisfactorily completed prior to such termination date. The question of satisfactory completion of such work shall be determined by the City alone, and its decision shall be final. It is further expressly understood and agreed by the parties that Contractor's performance upon which final payment is conditioned shall include, but not be limited to, the Contractor's complete and satisfactory performance of its obligations for which final payment is sought.

- 13.3 Notwithstanding Sections 13.1 and 13.2 of this agreement, the Contractor shall not be relieved of liability to the City for damages sustained by the City by virtue of any breach of this Agreement, and the City may withhold funds otherwise due as damages.

#### XIV. PROHIBITION OF POLITICAL ACTIVITIES

- 14.1 The Contractor agrees that neither the program nor the funds provided therefore, nor the personnel employed in the administration of the program, shall be in any way or in any extent engaged in the conduct of political activities. Prohibited activities include, but are not necessarily limited to, the assignment of any employee in the agency to work for or on behalf of a political activity, to take part in voter registration activities for the benefit of a particular candidate, political party or issue, to provide voters and prospective voters with transportation to the polls, or to participate in partisan political activities, such as lobbying, collecting funds, making speeches, assisting at meetings, doorbell ringing, and distributing political pamphlets in an effort to persuade others of any political view.

#### XV. SPECIAL PROVISIONS

- 15.1 Contractor agrees to comply with the following special provisions:

- (a) Under no circumstances will the funds received under this Agreement be used, either directly or indirectly, to pay costs or attorney fees incurred in any adversarial proceeding against the City or any other public entity.
- (b) During the term of this Agreement, if Contractor files and/or pursues an adversarial proceeding against the City then, at the City's option, this Agreement and all access to the funding provided for hereunder may terminate if Contractor is in violation of 15.1(a).
- (c) Contractor, at the City's option, could be ineligible for consideration to receive any future funding while any adversarial proceedings against the City remains unresolved.
- (d) For purposes of this Article, "adversarial proceedings" include any cause of action filed by the Contractor in any state or federal court, as well as any state or federal administrative hearing, but does not include Alternative Dispute Resolution proceedings.

- 15.2 Contractor shall not knowingly encourage, foster, promote or fund any project, production, workshop or program that is a violation of Chapter 43 of the Texas Penal Code.

#### XVI. NO USE OF FUNDS FOR RELIGIOUS ACTIVITIES

- 16.1 Contractor agrees that none of the performance rendered hereunder shall involve, and no portion of the funds received hereunder shall be used, directly or indirectly, for the construction, operations, maintenance or administration of any sectarian or religious facility or activity, nor shall said performance rendered or funds received be utilized so as to benefit, directly or indirectly, any such sectarian or religious facility or activity.

#### XVII. DEBARMENT

- 17.1 Contractor certifies, and the City relies thereon in execution of this Agreement, that neither Contractor nor its Principals are presently debarred, suspended, proposed for debarment, or declared ineligible, or voluntarily excluded for the award of contracts by any Federal governmental agency or department. "Principals", for the purposes of this certification, means officers; directors; owners; partners; and,



persons having primary management or supervisory responsibilities within a business entity (e.g., general manager; plant manager; head of a subsidiary, division, or business segment, and similar positions).

#### XVIII. AMENDMENT

- 18.1 Except when the terms of this Agreement expressly provide otherwise, any alterations additions or deletions to the terms hereof shall be by amendment in writing executed by both City and Contractor and evidenced by passage of a subsequent City ordinance, as to City's approval.

#### XIX. ASSIGNMENT

- 19.1 Contractor shall not assign or transfer Contractor's interest in this Agreement without the written consent of the City Council of San Antonio. Any attempt to transfer, pledge or other assignment shall be void ab initio and shall confer no rights upon any third person or party.

#### XX. SUBCONTRACTING

- 20.1 None of the work or services covered by this Agreement shall be sub-contracted without the prior written consent of City and the approval by ordinance by the San Antonio City Council, provided, however, the Director of the Department of Asset Management may approve subcontracts for professional services up to 25% of the total amount of this Agreement, but in no event can the amount of said subcontracts exceed \$25,000.00. Any work or services approved for sub-contracting hereunder, however, shall be sub-contracted only by written agreement, and unless specific waiver is granted in writing by City, shall be subject by its terms to each and every provision of this Agreement. Compliance by sub-contractors with this Agreement shall be the responsibility of Contractor. Contractor agrees that payment for services of any approved sub-contractor shall be submitted through Contractor, and Contractor shall be responsible for all payments to sub-contractors.

#### XXI. OFFICIAL COMMUNICATIONS

- 21.1 For purposes of this agreement, all official communications and notices among the parties shall be deemed sufficient if in writing and mailed, registered or certified mail, postage prepaid, to the addresses set forth below:

CITY  
Director  
Department of Asset Management  
PO Box 839966  
San Antonio, Texas 78283-3966

#### CONTRACTOR

Executive Director  
Centro Alameda, Inc.  
318 West Houston Street  
San Antonio TX 78205

Notices of changes of address by either party must be made in writing delivered to the other party's last known address within five (5) business days of the change.

#### XXII. VENUE

- 22.1 Contractor and City agree that this Agreement shall be governed by and construed in accordance with the laws of the State of Texas. Any action or proceeding brought to enforce the terms of this Agreement or adjudicate any dispute arising out of this Agreement shall be brought in a court of competent jurisdiction in San Antonio, Bexar County, Texas.

#### XXIII. GENDER

- 23.1 Words of any gender used in this Agreement shall be held and construed to include any other gender, and words in the singular number shall be held to include the plural, unless the context otherwise requires.

XXIV. AUTHORITY

24.1 The signer of this Agreement for Contractor represents, warrants, assures and guarantees that he has full legal authority to execute this Agreement on behalf of Contractor, and to bind Contractor to all of the terms, conditions, provisions and obligations herein contained.

XXV. LICENSES AND TRAINING

25.1 Contractor warrants and certifies that Contractor and any other person designated to provide services hereunder has the requisite training, license and/or certification to provide said services, and meets all competence standards promulgated by all other authoritative bodies, as applicable to the services provided herein.

XXVI. SEVERABILITY

26.1 If any clause or provision of this Agreement is held invalid, illegal or unenforceable under present or future federal, state or local laws, including but not limited to the City Charter, City Code, or ordinances of City, then and in that event it is the intention of the parties hereto that such invalidity, illegality or unenforceability shall not affect any other clause or provision hereof and that the remainder of this Agreement shall be construed as if such invalid, illegal or unenforceable clause or provision was never contained herein; it is also the intention of the parties hereto that in lieu of each clause or provision of this Agreement that is invalid, illegal or unenforceable, there be added as a part of this Agreement a clause or provision as similar in terms to such invalid, illegal or unenforceable clause or provision as may be possible, legal, valid and enforceable.

XXVII. ENTIRE AGREEMENT

27.1 This Agreement and its attachments, if any, constitute the entire and integrated Agreement between the parties hereto and contain all of the terms and conditions agreed upon, and supersedes all prior negotiations, representations, or agreements, either oral or written.

In witness of which this Agreement has been executed effective the \_\_\_\_\_ day of \_\_\_\_\_, \_\_\_\_\_.

CITY OF SAN ANTONIO:

\_\_\_\_\_  
Terry M. Brechtel  
City Manager

APPROVED AS TO FORM:

\_\_\_\_\_  
City Attorney

CONTRACTING AGENCY:

\_\_\_\_\_  
*Centro Alameda, Inc*

\_\_\_\_\_  
*318 West Houston Street)*

\_\_\_\_\_  
*San Antonio, TX 78205*

\_\_\_\_\_  
*[Signature]*  
Executive Director

\_\_\_\_\_  
Board President (if required by Agency)

**BUDGET**  
**Anticipated Income**  
**Fiscal Year 2003-2004**

AGENCY: Centro Alameda, Inc.

(Please Check One)

PROGRAM TITLE: Museo Americano      Operational X      Project       

<b>1. Earned Income</b>	<b>Cash</b>
Admissions (tickets, subscriptions)	\$ 0
Memberships	100,000
Benefits & Special Events	105,000
Tuition, Workshops, etc.	0
Other Sources (Itemize)	
<i>Rental income</i>	126,636
<b>Subtotal Earned Income</b>	<b>\$ 331,636</b>
<b>2. Unearned Income</b> (Check if income is confirmed.)	
___ Texas Commission on the Arts (Decentralizations funds not included.)	\$ 0
___ Texas Committee for the Humanities	0
___ Mid-America Arts Alliance	0
___ National Endowment for the Arts	0
___ National Endowment for the Humanities	0
Corporations and Foundations (Itemize)	
___ <i>Foundations</i>	420,000
<u>X</u> <i>Corporations</i>	50,000
___ <i>Corporations</i>	93,750
<b>3. Interest on investments/endowments</b>	0
<b>4. Individual contributions</b>	32,894
<b>5. Other fundraising</b> (Itemize)	
<b>Subtotal Unearned Income</b>	<b>\$ 596,644</b>
<b>6. Total City Allocation</b>	<b>\$ 175,000</b>
<b>7. TOTAL ANTICIPATED INCOME</b>	<b>\$ 1,103,280</b>

**BUDGET**  
**Anticipated Expenses**  
**October 2003- September 2004**

**AGENCY:** Centro Alameda, Inc  
**PROGRAM TITLE:** Museo Americano

Operational   X   Project           

	MAS	CAI General	TOTAL
<b>1. Personnel</b> (include fringe benefits)			
* Executive Staff	\$ 139,728	\$ 34,922	\$ 174,650
* Museum Staff	\$ 196,501	\$ -	\$ 196,501
* Development Staff	\$ 52,930	\$ 22,684	\$ 75,614
* General Admin (including Theater Complex)	\$ 46,434	\$ 46,434	\$ 92,868
* PERSONNEL SUBTOTAL:	\$ 435,593	\$ 104,040	\$ 539,633
<b>2. Outside Services</b>			
* Accounting	\$ 5,000	\$ 5,125	\$ 10,125
Affiliations - Kennedy Center	\$ -	\$ 120,000	\$ 120,000
* Affiliations - Smithsonian Institution	\$ 2,500	\$ -	\$ 2,500
Architectural - Jackson & Ryan	\$ 60,000	\$ -	\$ 60,000
Catering	\$ 3,840	\$ 960	\$ 4,800
* Fundraising Consulting	\$ 5,500	\$ -	\$ 5,500
Legal	\$ 2,000	\$ 1,000	\$ 3,000
* Marketing - Taylor West	\$ 8,000	\$ 2,000	\$ 10,000
Misc. Maintenance	\$ 0	\$ 7,200	\$ 7,200
Security	\$ 1,200	\$ 1,200	\$ 2,400
Technical - I.T.	\$ 16,000	\$ 4,000	\$ 20,000
AC Maintenance	\$ -	\$ 2,748	\$ 2,748
Building Maintenance	\$ 0	\$ 4,080	\$ 4,080
Cleaning Services	\$ 4,950	\$ 14,850	\$ 19,800
Elevator Maintenance	\$ 520	\$ 2,000	\$ 2,520
Fire Alarm	\$ -	\$ 1,408	\$ 1,408
Garbage Pickup	\$ 540	\$ 540	\$ 1,080
Pest Control	\$ 70	\$ 70	\$ 140
OUTSIDE SERVICES SUBTOTAL:	\$ 114,720	\$ 162,581	\$ 277,301
<b>3. Supplies &amp; Materials</b> (Itemize)			
Books & Publications	\$ 1,000	\$ 200	\$ 1,200
Equipment Rental	\$ 7,858	\$ 1,964	\$ 9,822
* Office Supplies & Equipment	\$ 11,680	\$ 2,920	\$ 14,600
SUPPLIES & MATIERALS SUBTOTAL:	\$ 20,538	\$ 5,084	\$ 25,622
<b>4. Space Rental</b> (Itemize)			
* City Public Service	\$ 32,750	\$ 32,750	\$ 65,500
* San Antonio Water Service	\$ 1,747	\$ 1,748	\$ 3,495
Insurance	\$ 45,203	\$ 11,301	\$ 56,504
SPACE RENTAL SUBTOTAL:	\$ 79,700	\$ 45,799	\$ 125,499
<b>5. Travel &amp; Subsistence</b>			
Airfare & Lodging	\$ 10,000	\$ 2,000	\$ 12,000
Per Diems	\$ 900	\$ 300	\$ 1,200
Meetings & Conferences	\$ 2,500	\$ 500	\$ 3,000
TRAVEL & SUBSISTENCE SUBTOTAL:	\$ 13,400	\$ 2,800	\$ 16,200
<b>6. Publicity &amp; Promotion</b> (Itemize)			
* Printing & Reproduction	\$ 11,000	\$ 2,000	\$ 13,000
* Media Events	\$ 10,500	\$ 2,000	\$ 12,500
* PUBLICITY & PROMOTION SUBTOTAL:	\$ 21,500	\$ 4,000	\$ 25,500
<b>7. Other Costs</b> (Itemize)			
Dues, Subscriptions, Memberships	\$ 1,400	\$ 200	\$ 1,600
Employee Relations	\$ 500	\$ 100	\$ 600
Fees & Permits	\$ 2,000	\$ 400	\$ 2,400
Interest Expense	\$ 66,000	\$ -	\$ 66,000
Miscellaneous Expense	\$ 3,000	\$ 3,000	\$ 6,000
Postage & Delivery	\$ 5,760	\$ 1,440	\$ 7,200
Telecommunications	\$ 7,780	\$ 1,945	\$ 9,725
OTHER COSTS SUBTOTAL:	\$ 86,440	\$ 7,085	\$ 93,525
<b>8. TOTAL ANTICIPATED EXPENSES</b>	<b>\$ 771,891</b>	<b>\$ 331,389</b>	<b>\$1,103,280</b>

\* Items reimbursable under this agreement are asterisked.

**PROGRAM STATEMENT  
FISCAL YEAR 2003-2004**

**AGENCY:** Centro Alameda, Inc.  
**PROGRAM TITLE:** Museo Americano Challenge Grant  
**TOTAL AWARD:** \$175,000

Centro Alameda, Inc. is a 501(c)(3) nonprofit whose mission is to create a cultural zone for Latino arts, culture and entertainment through two primary public facilities:

- 1) **Museo Americano, an affiliate of the Smithsonian Institution**  
Museo Americano, located at the front door to Market Square (one of the city's most-visited public attractions), will be a consistent San Antonio presence of The Smithsonian Institution. Through our affiliation agreement, the museum will present traveling exhibitions organized by The Smithsonian; develop unique exhibitions pulling from The Smithsonian's collection of 142 million objects; implement educational programs for youths and families; and present exhibition-related performances.
- 2) **The Alameda Theater, in partnership with The Kennedy Center**  
The historic 2,400-seat Alameda Theater, once a routine tour destination for major Latino and Mexican performers and films, will be restored with the guidance of The Kennedy Center as a performing arts and film venue. A partnership with The Kennedy Center means shared costs for usually-exorbitant touring companies – including dance, theater, and symphonic performance. The restored theater will also include films, lecture series and comedy performance, and plans are to include making the space television-ready.

Museo Americano will be the first of the two facilities to open to the public, scheduled for public opening in Winter/Spring of 2005. Prior to public operations and cash-flow relief from admissions and facility rentals, fundraising for operations is extremely difficult.

This Challenge Grant from the City of San Antonio in the amount of \$175,000 will be used for operational support of Museo Americano – and will be a major incentive for Centro Alameda to attract new donors. Funds from the COSA challenge grant will be used for Museo Americano's general operations – including staffing development, office facility expense, occupancy costs, office equipment, and so forth.

**Performance Measures**

Centro Alameda's success during the term of this Challenge Grant will be determined by the following measures:

- Naming of a Museum Director by February 2004
- Implementation of staffing plan for Museo Americano to include (but not limited to) Development Director, Finance Director, Curatorial Staff, Education Director and Marketing Director (museum staffing will occur under supervision of Executive Director and Museum Director)
- Growth and engagement of CAI's Board of Trustees from 12 members (currently) to at least 16 members
- Growth and engagement of CAI's Advisory Board