



City of Las Cruces[®]

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COUNCIL WORK SESSION SUMMARY ROUTING SLIP

Meeting Date March 14, 2016

TITLE: RIO GRANDE THEATRE – DOÑA ANA ARTS COUNCIL UPDATE

- Are there attachments to the Council Work Session Summary? Yes No
- Will there be a Video Presentation for this item? Yes No
- Will there be a PowerPoint Presentation for this item? Yes No
- If "yes", will a copy of the PowerPoint Presentation be included on the Council Work Session Agenda? Yes No

DEPARTMENT / ORGANIZATION	SIGNATURE	PHONE NO.	DATE
Drafter/Staff Contact	<i>[Signature]</i>	3048	3/2/16
Department Director	<i>[Signature]</i>	x-3067	3-2-16
Other			
Assistant City Manager/CAO (if applicable)			
Assistant City Manager/COO (if applicable)	<i>[Signature]</i>		3/4/16
City Manager	<i>[Signature]</i>		3/7/16



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PEOPLE HELPING PEOPLE

Council Work Session Summary

Meeting Date: March 14, 2016

TITLE: RIO GRANDE THEATRE – DOÑA ANA ARTS COUNCIL UPDATE.

PURPOSE(S) OF DISCUSSION:

- Inform/Update
- Direction/Guidance
- Legislative Development/Policy

BACKGROUND / KEY ISSUES / CONTRIBUTING FACTORS:

The Rio Grande Theatre is a City-owned building. In order to continue operations at the theater, staff issued a request for proposal (RFP) to seek a management agreement. In March 2014, staff received one response to the RFP from Doña Ana Arts Council (Arts Council). Following negotiations with the respondent, an agreement was awarded on June 16, 2014 through Resolution No. 13-14-362.

The terms of the agreement were for one year with an option to renew in subsequent years for a total of five years. The Arts Council was provided an award amount of \$100,000 for operations during the first year. Included was a list of the various duties the Arts Council was to perform during the life of the agreement.

On July 6, 2015, City Council adopted Resolution No. 15-247 approving the option for the second year of the agreement with the Arts Council for continued operations of the theater. With this resolution, the award amount for operations was increased to \$120,000. The current agreement is scheduled to end on June 30, 2016.

SUPPORT INFORMATION:

1. Attachment "A", Doña Ana Arts Council presentation.

REFERENCE INFORMATION:

1. Resolution No. 13-14-362.
2. Resolution No. 15-247.

Rio Grande Theatre Management Agreement

City Council Work Session
March 14, 2016



Background

- City issued RFP seeking theater management agreement; DAAC responded
- Res. 13-14-362: Approved agreement
 - First year with up to 5 year option
 - \$100,000 for theater operations
- Res. 15-247: Approved agreement renewal
 - Second year of 5 year option
 - \$120,000 for theater operations

Agreement

- DAAC (Manager):
 - Maintain building
 - Program and administer events
 - Promotion and marketing
 - Provide detailed monthly and quarterly income and expenditure records
- City
 - Capital investment
 - Large building repairs

Thank you

- Questions & Discussion

RESOLUTION NO. 13-14-362

A RESOLUTION AWARDING A CONTRACT STARTING JULY 1, 2014 FOR MANAGEMENT OF THE CITY-OWNED RIO GRANDE THEATER IN THE AMOUNT OF \$100,000.00 TO THE DONA ANA ARTS COUNCIL, INC., OF LAS CRUCES, NEW MEXICO, FOR YEAR ONE OF A POSSIBLE FIVE-YEAR MANAGEMENT CONTRACT, SUBJECT TO ANNUAL LAS CRUCES CITY COUNCIL APPROVAL.

The City Council is informed that:

WHEREAS, the City owns the Rio Grande Theater located at 211 N. Main in the downtown area; and

WHEREAS, the Rio Grande Theater continues to be an important component of economic development in the downtown area through arts and performance programming at the facility; and

WHEREAS, Request for Proposal 13-14-362 was issued and one proposal was received and evaluated through the Selection Advisory Committee; and

WHEREAS, based on score, staff was authorized to proceed with contract negotiations with the highest ranked proposer; and

WHEREAS, negotiations have been completed and a contract was drafted for year one; and

WHEREAS, staff recommends that the Las Cruces City Council award the management of the Rio Grande Theater to the Dona Ana Arts Council, Inc., in the amount of \$100,000.00 for year one of a possible five-year management contract.

NOW, THEREFORE, Be it resolved by the governing body of the City of Las Cruces:

(I)

THAT the Management Agreement, attached hereto as Exhibit "B," for the City-owned Rio Grande Theater between the City of Las Cruces and the Dona Ana Arts

Council, Inc., of Las Cruces, New Mexico, is hereby approved in the amount of \$100,000.00 for year one of a possible five-year management contract.

(II)

THAT the Purchasing Manager is authorized to contract with the Dona Ana Arts Council, Inc., as outlined in the signed Exhibit "A", Purchasing Manager's Request to Contract Form.

(III)

THAT City staff is hereby authorized to do all deeds necessary in the accomplishment of the herein above.

DONE AND APPROVED this 16th day of June, 2014.

APPROVED:



Mayor

ATTEST:



City Clerk

(SEAL)

VOTE:

Mayor Miyagishima:	<u>Aye</u>
Councillor Silva:	<u>Aye</u>
Councillor Smith:	<u>Aye</u>
Councillor Pedroza:	<u>Aye</u>
Councillor Small:	<u>Aye</u>
Councillor Sorg:	<u>Aye</u>
Councillor Levatino:	<u>Absent</u>

Moved by: Silva

Seconded by: Sorg

APPROVED AS TO FORM:



City Attorney

CITY OF LAS CRUCES

PURCHASING MANAGER'S REQUEST TO CONTRACT

For Meeting of: June 16, 2014

Resolution No.: 13-14-362

Contract Purchase For Management of the City-Owned Rio Grande Theatre

The Las Cruces City Council is provided the following information concerning this request:

RFP SOLICITATION INFORMATION:

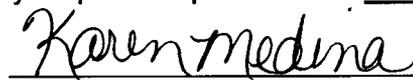
- 1. RFP No./ Due Date: RFP No. 13-14-362 / March 14, 2014
- 2. Description: Management of the City-Owned Rio Grande Theatre
- 3. Using Department: Public Works/Facilities Management
- 4. Number of Reponses Solicited: Nine (9)
- 5. Number of Responses Accepted: One (1)
- 6. Award Recommendation To: Doña Ana Arts Council, Inc. of Las Cruces, NM
- 7. Total Award Amount: \$100,000.00
- 8. Contract Duration: One year

LOCAL PREFERENCE FACTOR

Local Preference	No	X	LCMC §24-100 not applicable to this solicitation
Factor Applied Per LCMC §24-100	Yes		Made A Difference To Awards(s)
			Made No Difference To Bid Award(s)

PROCUREMENT CODE COMPLIANCE:

The City of Las Cruces Procurement Code was administered in the conduct of this procurement and approval to purchase is hereby requested pursuant to **Section 24-92.**


 Purchasing Manager Date 15/30/14

CONFIRMATION OF FUND ENCUMBRANCE:

REQUISITION or PURCHASE ORDER NUMBER:	TBD
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MANAGEMENT AGREEMENT

This Management Agreement (this "**Agreement**") is made as of the 1st day of July, 2014 ("**Effective Date**"), by and between the City of Las Cruces, New Mexico, a home rule municipality ("**Owner**"), and Doña Ana Arts Council, a non-profit corporation ("**Manager**").

RECITALS

1. The Owner owns a theater in the City of Las Cruces known as the Rio Grande Theater, located at 211 N. Main St. (the "**Facility**");
2. All references to the "Facility" in this Agreement shall be deemed to include the entire facility complex, including but not limited to the building, meeting rooms, common areas, lobby areas, executive, artist display area, museum, and other offices, storage and utility facilities, and entrances.

NOW THEREFORE, for good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the parties, intending to be legally bound, hereby agree as follows:

ARTICLE 1 SCOPE OF MANAGEMENT SERVICES

Section 1.1 Engagement.

(a) Owner hereby engages Manager to act as the sole and exclusive manager and operator of the Facility, subject to and as more fully described in this Agreement, and, in connection therewith, to perform the services described in Exhibit A attached hereto.

(b) Manager hereby accepts such engagement, and shall perform the services described herein, subject to the limitations expressly set forth in this Agreement and in the Doña Ana Arts Council's Rio Grande Theater Operations Manual, as defined herein.

Section 1.2 Contingency. Manager's obligations under this Agreement are contingent upon and subject to the Owner making available, in a timely fashion, the funds budgeted to carry out such obligations during the Term. Manager shall not be considered to be in breach or default of this Agreement, and shall have no liability to the Owner or any other party, in the event Manager does not perform any of its obligations hereunder due to failure by the Owner to timely provide such funds.

Section 1.3 Owner's Authorization of Expenditures. Notwithstanding any provisions of this Agreement to the contrary, the terms of this Agreement are contingent upon sufficient appropriations and authorizations being made by the City for the performance of this Agreement for subsequent fiscal years. If sufficient appropriations and authorizations are not made by the City Council for a subsequent fiscal year, this Agreement shall be terminated at the end of the current fiscal year. The Owner is expressly not committed to the expenditure of funds until such time they are programmed, budgeted, and encumbered, for expenditures by the Owner; provided that any sums properly committed by Manager hereunder prior to being advised that such funds may not be budgeted, encumbered or approved may nevertheless be payable by the Manager, but not by Owner. The Owner's decision as to whether its funds are sufficient for fulfillment of this Agreement shall be final.

ARTICLE 2 TERM; TERMINATION

Section 2.1 Term.

(a) The initial term ("**Initial Term**") of this Agreement shall begin on July 1, 2014, and shall expire on June 30, 2015.

(b) Owner may thereafter extend the Initial Term for four (4) successive one (1)-year terms subject to City Council approval, each beginning on July 1 and ending on the following June 30, provided Owner has given Manager written notice of each such extension no later than sixty (60) days in advance of the date on which such extension would take effect.

Section 2.2 Termination.

(a) This Agreement may be terminated by either party upon sixty (60) days written notice, if the other party fails to perform or comply with any terms of this agreement, and such failure is not cured during such sixty (60) day notification period.

(b) Manager shall have no right or remedy, at law or in equity, against Owner for a termination permitted by this Agreement.

(c) Upon termination or expiration of this Agreement for any reason, Manager shall (i) promptly discontinue the performance of all services hereunder, (ii) deliver or otherwise make

available to the Owner all data, electronic files, documents, procedures, reports, estimates, summaries, and other such information and materials with respect to the Facility as may have been accumulated by Manager in performing its obligations hereunder, whether completed or in process, and (iii) reimburse to the Owner any remaining fund balance in the Facility Operating Account.

ARTICLE 3 OWNERSHIP; USE OF THE FACILITY

Section 3.1 Ownership of Facility, Data, Equipment and Materials. The Owner will at all times retain ownership of the Facility, including but not limited to real estate, technical equipment, furniture, displays, fixtures and similar property, including improvements made during the Term, at the Facility. Any data, equipment or materials furnished by the Owner to Manager or acquired by Manager as an Operating Expense and paid for by Owner, to be used at the Facility, shall remain the property of the Owner, and shall be returned to the Owner when no longer needed by Manager to perform under this Agreement. The Manager retains ownership of all items inventoried in Exhibit "C". Notwithstanding the above, Owner shall not have the right to use any third party software licensed by Manager for general use by Manager at the Facility and other facilities managed by Manager, the licensing fee for which is proportionately allocated and charged to the Facility as an Operating Expense; such software may be retained by Manager upon expiration or termination hereof provided that the Facility data contained in such software shall be provided to Owner in an electronic format that can be accessed without the proprietary licensed software.

Section 3.2 Right of Use. The Owner hereby gives Manager the right and license to use the Facility, and Manager accepts such right of use, for the purpose of performing the services herein specified, including the operation and maintenance of all physical and mechanical facilities necessary for, and related to, the operation, maintenance and management of the Facility. The Owner shall provide Manager with a sufficient amount of suitable office space in the Facility as is reasonably necessary to enable Manager to perform its obligations under this Agreement.

Section 3.3 Observance of Agreements. The Owner agrees to pay, keep, observe and perform all payments, terms, covenants, conditions and obligations to which the Owner is bound in connection with its ownership of the Facility under the terms of this agreement.

Section 3.4 Use by the Owner. Subject to availability, the Owner shall have the right to use the Facility or any part thereof rent-free for meetings, seminars, training classes or other non-commercial uses, provided that Owner shall promptly reimburse Manager, for deposit into the Facility Operating Account, for any out-of-pocket expenses incurred by Manager (such as set-up and take-down personnel, security expenses and other expenses) in connection with such use, subject to any agreed upon elevator service offsets determined an annual basis. Such non-commercial use of the Facility by the Owner shall not compete with, nor conflict with; paying events booked by Manager, and shall be booked in advance upon reasonable notice to Manager. Upon request of the Owner, Manager shall provide to the Owner a list of available dates for Owner use of the Facility.

ARTICLE 4 PERSONNEL

Section 4.1 Generally. All Facility staff and other personnel shall be engaged or hired by Manager, and shall be employees, agents or independent contractors of Manager (or a subsidiary or affiliate thereof), and not of the Owner. Manager shall select, in its sole discretion, the number,

function, qualifications, and compensation, including salary and benefits, of its employees and shall control the terms and conditions of employment (including without limitation termination thereof) relating to such employees. Manager shall use reasonable and prudent judgment in the selection and supervision of such personnel, so long as said personnel expenses are within the approved Facility Operating Budget.

Section 4.2 Operations Manager. Personnel engaged by Manager will include an individual with managerial experience to serve as a full-time on-site general manager of the Facility (the "**Operations Manager**"). The Operations Manager will have general supervisory responsibility for Manager and will be responsible for day-to-day operations of the Facility, supervision of employees, and management and coordination of all activities associated with events taking place at the Facility.

ARTICLE 5 FACILITY OPERATING BUDGET

Section 5.1 Establishment of Facility Operating Budget.

(a) The Facility Operating Budget for the 2014-15 Term is the budget approved by Owner for such time period, provided that appropriate amendments to such budget shall be made to reflect any changes as described in subsection (q) of Exhibit "A". Manager shall, no later than December 15th prior to the commencement of each subsequent Term in respect of such year, it will prepare and submit to the Owner a line item budget for the Facility (as approved by the Owner pursuant to Section 5.2, the "**Facility Operating Budget**"). Each annual Facility Operating Budget shall include a projection of gross revenues and Facility Operating Expenses, presented on a quarterly and annual basis. The Facility Operating Budget shall serve as an estimate of expected revenue and expenses for the Facility. The Owner may provide Manager with all information in its possession necessary to enable Manager to prepare the Facility Operating Budget. Owner acknowledges that each Facility Operating Budget is an estimate only, and Manager does not guarantee that the Facility will achieve the revenue or expense targets contained therein. Prior to the end of the term, at the request of either the Owner or the Manager, the parties shall engage in good faith discussions regarding a new agreement for the management and operation of the facility following the end of the Term. This requirement to discuss and negotiate terms for a new management agreement shall not obligate either party to commit to any such new agreement or to the terms of any such new agreement.

(b) The Manager's expenses in each annual Facility Operating Budget approved by Owner shall include all expenses expected to be incurred by Manager in connection with its operation of the Facility, including but not limited to, the following expenses on a line item basis, all of which shall be deemed to be "**Facility Operating Expenses**" and shall be payable by Manager pursuant to the terms set forth in Article 6 below: (i) employee payroll, benefits, bonus and other costs related to staffing the Facility, but not including relocation expenses for personnel, (ii) cost of operating supplies (including general office supplies), (iii) advertising, marketing, group sales, and public relations costs, (iv) cleaning expenses, (v) data processing costs, (vi) dues, subscriptions and membership costs, (vii) [reserved], (viii) printing and stationary costs, (ix) postage and freight costs, (x) equipment rental costs, (xi) minor repairs, maintenance, and equipment servicing, not including expenses relating to performing capital improvements or elevator service, (xii) security expenses, (xiii) telephone and communication charges, (xiv) travel and entertainment expenses of Manager employees, (xv) cost of employee uniforms and identification, (xvi) exterminator, snow and trash removal costs, if applicable (xvii) computer, software, hardware and training costs, (xviii) parking expenses, (xix) utility expenses, (xx) office expenses, (xxi) audit, accounting and legal fees, (xxii) all bond and insurance costs,

including but not limited to personal property, liability, and worker's compensation insurance, (xxiii) commissions and all other fees payable to third parties (e.g. commissions relating to food and beverage and merchandise concessions services), if applicable, (xxiv) expenses relating to the operation by Manager of food and beverage concessions, if applicable, (xxv) Taxes (including without limitation the New Mexico gross receipts tax on Manager's receipt of its compensation hereunder), and (xxvi) costs to settle or defend claims asserted against Manager arising out of its activities hereunder where Manager is not found to be negligent or otherwise to have engaged in intentional misconduct.

Section 5.2 Approval of Facility Operating Budget. Each annual Facility Operating Budget shall be subject to the review and approval of the Owner, which approval shall not be unreasonably withheld or delayed. In order for the Owner to fully evaluate and analyze such budgets or any other request by Manager relating to income and expenses, Manager shall provide to the Owner such reasonable financial information relating to the Facility as may be requested by the Owner from time to time. If extraordinary events occur during any Term which could not reasonably be contemplated at the time the corresponding Facility Operating Budget was prepared, Manager may submit an amendment to such budget for review and approval by the Owner. If the Owner fails to approve any annual Facility Operating Budget, or any proposed amendment thereto, the Owner shall promptly provide Manager the specific reasons therefor and its suggested modifications to Manager's proposed Facility Operating Budget or amendment in order to make it acceptable.

Section 5.3 Adherence to Facility Operating Budget. Manager shall use all reasonable efforts to manage and operate the Facility in accordance with the Facility Operating Budget. Without the prior written consent of the Owner, Manager shall not exceed, commit or contract to expend any sums in excess of the aggregate amounts allowed in the Facility Operating Budget as approved by Owner, except if (i) such additional expenditure is necessary to perform Emergency Repairs, in which event Manager shall notify Owner of the need for such repairs, (ii) expenses for services provided to the Facility by unaffiliated third parties, the cost of which is not within the reasonable control of Manager, such as the costs of utilities and insurance; and (iii) for increased costs resulting from events scheduled pursuant to Section 3.3. Manager shall report in writing to Owner, as promptly as practicable after becoming aware of such, any significant change or variance in the bottom line number in the Facility Operating Budget, and any material increase in the total costs, as opposed to any particular line item cost, from that provided for in the Facility Operating Budget, unless such change, variance or increase is a result of, or offset by, a corresponding increase in Revenue. In the event Manager desires to hold one or more events at the Facility which would require expenditures in excess of those available in the approved Facility Operating Budget, Manager shall notify Owner in writing so Owner may obtain and provide approval for such expenditure.

ARTICLE 6 FUNDING

Section 6.1 Facility Operating Appropriation. Manager shall pay all items of expense related to the operation, maintenance, supervision and management of the Facility from funds in the Facility Operating Account, which Manager may access periodically for this purpose. The Facility Operating Account shall be funded with amounts generated by the operation of the Facility (as described below), or otherwise made available by the Owner. The Owner shall provide an initial deposit into the Facility Operating Account, on or about July 1st of the Term, to establish a minimum balance not to exceed \$16,000. At the end of each month, the Manager shall provide an invoice in the amount of \$7,000 for the previous month. The invoice shall be provided to the Owner by the fifth (5th) business day of the following month, with reimbursement provided by the Owner to the Manager by

the 15th of the month in which reimbursement was requested. At the end of the contract term or as requested by the Owner with reasonable notice to the Manager, the Manager shall reimburse any remaining fund balance in the Facility Operating Account. If at any time additional funds are required by Manager to pay Facility Operating Expenses, Manager may request such funds. The Owner is under no obligation to fulfill such request.

Section 6.2 Total Management Agreement Funding. The total amount of funding by Owner for this Management Agreement during Term 2014-2015 shall not exceed \$100,000.

Section 6.3 Advancement of Funds. Under no circumstances shall the Manager be required to pay for or advance any of its own funds to pay for any Facility Operating Expenses. In the event that, notwithstanding the foregoing, the Manager chooses to advance its own funds to pay Facility Operating Expenses, the Manager shall submit a written request to the Owner for additional reimbursement. The Owner is under no obligation to fulfill such a request.

Section 6.4 Commercial Rights Commissions. The Manager shall have no rights to receive any Commercial Rights Commissions for or in the Facility, unless agreed to in writing by the Owner.

ARTICLE 7 PROCEDURE FOR HANDLING INCOME

Section 7.1 Facility Revenue Account. Manager shall deposit as soon as practicable following receipt, into a Facility Revenue Account in a local qualified public depository to be designated by the Owner in writing, all revenue received from ticket sales and similar event-related revenues which Manager receives in contemplation of, or arising from, an event, pending completion of the event. Such monies will be held in escrow for the protection of ticket purchasers, the Owner and Manager, to provide a source of funds as required for payments to performers and for payments of direct incidental expenses in connection with the presentation of events that must be paid prior to or contemporaneously with such events. Promptly following completion and final settlement of such events, Manager shall transfer any remaining balance in such account to the Facility Operating Account. The Facility Revenue Account shall be the account established by Manager in the name of Manager, as agent for the City, and under the Manager's federal identification number. As between Manager and Owner, and to the extent the applicable funds are in Manager's possession, Manager shall be responsible for paying any ticket refunds required due to a postponement or cancellation of a ticketed event. To the extent a promoter/licensee of the Facility has in its possession proceeds from ticket sales that are required to be refunded to ticket purchasers, Manager shall use reasonable commercial efforts to ensure that such promoter/licensee makes such refunds.

Section 7.2 Facility Operating Account. Except as provided in Section 7.1, all Revenue derived from operation of the Facility shall be deposited by Manager into a Facility Operating Account in a local qualified public depository to be designated by the Owner in writing as soon as practicable upon receipt, but no less often than once each business day. The Facility Operating Account shall be the account established in the name of Manager, as agent for the City, and under Manager's federal identification number. "Revenue" shall mean all revenues generated by Manager's operation of the Facility, including but not limited to event ticket proceeds income, rental income, merchandise income, food and beverage income, income from any sale of Commercial Rights, advertising sales income, sponsorship or grant income, equipment rental fees, box office income, art sales, and miscellaneous income, but shall not include monies collected (or to be collected) for the benefit of and paid to third parties (for example, event promoters).

Section 7.3 Transfer of Facility Revenue or Operating Accounts. In the event of receipt of notice of termination of this agreement as provided for in Article 2, Manager would provide to Owner an accounting of all funds in both accounts within fifteen (15) days of the Manager's receipt of notice of termination. Funds deposited in either account would be transferred to Owner or to accounts directed by the Owner within thirty (30) days of the effective date of termination. Following termination, Owner shall assume responsibility for all contractual obligations related to deposits placed in both the Facility Revenue and Operating Accounts.

ARTICLE 8 FISCAL RESPONSIBILITY; REPORTING

Section 8.1 Records. Manager shall keep and maintain, at its office in the Facility, separate and independent records, in accordance with generally accepted accounting principles, devoted exclusively to its operations in connection with its management of the Facility. Such records (including books, ledgers, journals, and accounts) shall contain all entries reflecting the business operations of Manager under this Agreement and shall be kept for a period of three years after the close of each Term, up to the date of termination of this Agreement. In the event of termination, as outlined elsewhere herein this Agreement, the Manager shall provide the Owner with the current and up to three prior Term's records, within thirty (30) days of the effective date of termination. The Owner or its authorized agent shall have the right to audit and inspect such records from time to time during the Term, upon reasonable notice to Manager and during Manager's ordinary business hours.

Section 8.2 Quarterly Financial Reports. Manager shall provide to the Owner, within thirty (30) days after the end of each quarter during the Term, financial reports for the Facility including a balance sheet, aging report on accounts receivable, and statement of revenues and expenditures (budget to actual) for such month and year to date in accordance with generally accepted accounting principles. In addition, Manager shall provide to the Owner a summary of bookings for each such quarter, and separate cash receipts and disbursements reports for each event held at the Facility during such quarter. Additionally, Manager shall submit to Owner, or shall cause the applicable public depository utilized by Manager to submit to the Owner, on a monthly basis, copies of all bank statements concerning the Facility Revenue Account and the Facility Operating Account, reports containing current accounts payable and receivable, and the financial report provided during each meeting of the Doña Ana Arts Council Board of Directors. The Owner shall provide a form for reporting such information that the Manager shall submit in accordance with this Section.

Section 8.3 Audit. No audit is required during the first Term. The audit requirements contained herein begin with the start of the second Term. Manager shall provide to the Owner following the end of each subsequent two-year operating period, a certified audit report on the accounts and records as kept by Manager for the Facility. Costs associated with obtaining such certified audit report shall be an Operating Expense of the Facility. Such audit shall be performed by an external auditor approved by the Owner, and shall be conducted in accordance with generally accepted auditing standards. Manager shall use reasonable commercial efforts to cause the auditors to provide (a) an unaudited trial balance to the City by September 10 (or if such date is not a business day, then on the next business day following September 10) following the end of each odd-numbered Term, and (b) the certified audit report by September 30 (or if such date is not a business day, then on the next business day following September 30) following the end of each even-numbered Term. Owner reserves the right to have their Internal Audit Office perform an audit at the discretion of the Owner.

Section 8.4 Document Custodian. All records, financial reporting, audit reports, and associated paper and electronic documentation required by Article 8 shall be provided to the Owner's Facilities Management.

ARTICLE 9 CAPITAL EXPENDITURES

Section 9.1 Schedule of Facility Capital Expenditures. Manager shall annually, at the time of submission of the annual Facility Operating Budget to the Owner, provide to the Owner a schedule of capital improvements necessary at the Facility and requiring a Facility Capital Expenditure (as defined below), for the purpose of allowing the Owner to consider for inclusion such projects in its budget for the ensuing year and to prepare and update a long-range capital expenditure budget. For purposes of this paragraph, "**Facility Capital Expenditures**" shall mean all expenditures for building additions, alterations, structural maintenance/repairs, or improvements and for purchases of additional or replacement furniture, machinery, or equipment, where the cost of such expenditure is greater than \$5,000 and the depreciable life of the applicable item is, according to generally accepted accounting principles, is in excess of five (5) years.

Section 9.2 Responsibility for Facility Capital Expenditures. The Owner, at its sole discretion, shall be solely responsible for all Facility Capital Expenditures; however, the Owner shall be under no obligation to make such Facility Capital Expenditures. Notwithstanding the foregoing, Manager shall have the right to request "**Emergency Repairs**" (defined as the repair of a condition which, if not performed immediately, creates an imminent danger to persons or property and/or an unsafe condition at the Facility threatening persons or property, and/or makes it impossible for Manager to use the facility) from the Owner.

Section 9.3 Request Other Facility Capital Funds. As a non-profit corporation, the Manager has the right to request facility capital funds from sources other than the Owner. Manager shall inform the Owner in writing prior to submitting said request. Owner may request a consultation with the Manager prior to submitting said request.

ARTICLE 10 AGREEMENT MONITORING AND GENERAL MANAGER

Section 10.1 Contract Administrator. Each party shall appoint a contract administrator who shall monitor such party's compliance with the terms of this Agreement. Each party shall notify the other in writing of the name of its contract administrator within thirty (30) days of execution hereof. Any and all references in this Agreement requiring Manager or Owner participation or approval shall mean the participation or approval of such party's contract administrator.

ARTICLE 11 INDEMNIFICATION

Section 11.1 Indemnification by Manager. Manager shall defend, indemnify and hold harmless Owner and its parent, subsidiary and affiliate companies, and each of their respective directors, officers, employees, agents, successors and assigns against any claims, causes of action, costs, expenses (including reasonable attorneys' fees) liabilities, or damages (collectively, "**Losses**") suffered by such parties, arising out of or in connection with any (a) grossly negligent act or omission,

or intentional misconduct, on the part of Manager or any of its employees or agents in the performance of its obligations under this Agreement, or (b) breach by Manager of any of its representations, covenants or agreements made herein; except to the extent such Losses arise out of or relate to Owner's negligence, intentional misconduct, or failure to comply with the terms of this Agreement.

Section 11.2 Conditions to Indemnification. With respect to each separate matter brought by any third party against which a party hereto ("Indemnitee") is indemnified by the other party ("Indemnitor") under this Article 11, the Indemnitor shall be responsible, at its sole cost and expense, for controlling, litigating, defending and/or otherwise attempting to resolve any proceeding, claim, or cause of action underlying such matter, except that (a) the Indemnitee may, at its option, participate in such defense or resolution at its expense and through counsel of its choice; (b) the Indemnitee may, at its option, assume control of such defense or resolution if the Indemnitor does not promptly and diligently pursue such defense or resolution, provided that the Indemnitor shall continue to be obligated to indemnify the Indemnitee hereunder in connection therewith; and (c) neither Indemnitor nor Indemnitee shall agree to any settlement without the other's prior written consent, which shall not be unreasonably withheld or delayed. In any event, Indemnitor and Indemnitee shall in good faith cooperate with each other and their respective counsel with respect to all such actions or proceedings, at the Indemnitor's expense. With respect to each and every matter with respect to which any indemnification may be sought hereunder, upon receiving notice pertaining to such matter, Indemnitee shall promptly (and in no event more than twenty (20) days after any third party litigation is commenced asserting such claim) give reasonably detailed written notice to the Indemnitor of the nature of such matter and the amount demanded or claimed in connection therewith.

Section 11.3 Survival. The obligations of the parties contained in this Article 11 shall survive the termination or expiration of this Agreement.

ARTICLE 12 INSURANCE; BONDS

Section 12.1 Types and Amount of Coverage. Manager shall obtain insurance coverage in the manner and amounts as set forth in Exhibit "B", attached hereto, and shall provide to the Owner promptly following the Effective Date a certificate of coverage evidencing such coverage. Manager shall maintain such referenced insurance coverage at all times during the Term, and will not make any material modification or change from these specifications without the prior written approval of the Owner. Each insurance policy shall include a requirement that the insurer provide Manager and the Owner at least thirty (30) days written notice of cancellation or material change in the terms and provisions of the applicable policy. The cost of all such insurance shall be an Operating Expense.

Section 12.2 Rating; Additional Insureds. All insurance policies shall be issued by insurance companies rated no less than A VIII in the most recent "Bests" insurance guide, and licensed in the State of New Mexico or as otherwise agreed by the parties. All such policies shall be in such form and contain such provisions as are generally considered standard for the type of insurance involved. The commercial general liability policy, automobile liability insurance policy and umbrella or excess liability policy to be obtained by Manager hereunder shall name Owner as an additional insured. The workers compensation policy to be obtained by Manager hereunder shall contain a waiver of all rights of subrogation against the Owner. Manager shall require that all users of the Facility, including without limitation licensees, ushers, security personnel and concessionaires, provide to the Owner and to Manager certificates of coverage evidencing insurance appropriate for the types of activities such user is engaged in. If Manager subcontracts any of its obligations under this Agreement, Manager shall either: (a) cover all subcontractors under its policies of insurance, or (b) require each

subcontractor not so covered to secure insurance that will protect against applicable hazards or risks of loss as and in the minimum amounts designated herein, and name Manager and the Owner as additional insureds.

ARTICLE 13 MISCELLANEOUS

Section 13.1 No Discrimination. Manager shall not discriminate against any employee or applicant for employment for work under this Agreement because of race, age, religion, color, national origin, ancestry, sex, sexual orientation, gender identity, physical or mental disability or serious medical condition, or spousal affiliation and will take affirmative steps to ensure that applicants are employed, and employees are treated during employment, without regard to race, age, religion, color, national origin, ancestry, sex, sexual orientation, gender identity, physical or mental disability or serious medical condition, or spousal affiliation.

Section 13.2 Use of Facility Names and Logos. Manager shall have the right to use throughout the Term (and permit others to use in furtherance of Manager's obligations hereunder), without restriction and for no charge, the name and all logos of the Facility, on Manager's stationary, in its advertising of the Facility, and whenever conducting business of the Facility; provided, that Manager shall take all prudent and appropriate measures to protect the intellectual property rights of the Owner relating to such logos. All intellectual property rights in any Facility logos developed by the Manager or the Owner shall be and at all times remain the sole and exclusive property of the Owner. Manager shall execute any documentation requested by the Owner from time to time to establish, protect or convey any such intellectual property rights.

Section 13.3 Force Majeure. Except as otherwise provided herein, neither party shall be obligated to perform, and neither party shall be deemed to be in default of its performance, if prevented by occurrences outside its reasonable control, including without limitation: (a) fire, earthquake, hurricane, wind, flood, act of God, riot, or civil commotion occurring at the Facility, or (b) any law, ordinance, rule, regulation, or order of any public or military authority stemming from the existence of economic or energy controls, hostilities, war, or governmental law and regulation, or (c) labor dispute which results in a strike or work stoppage affecting the Facility or services described in this Agreement. Notwithstanding the foregoing, a party's failure to make payments due hereunder shall not be considered to be a force majeure.

Section 13.4 Assignment. Neither party may assign this Agreement without the prior written consent of the other. Any purported assignment in contravention of this Section shall be void.

Section 13.5 Notices. All notices required or permitted to be given pursuant to this Agreement shall be in writing and delivered personally or sent by registered or certified mail, return receipt requested, or by generally recognized, prepaid, overnight air courier services, to the address and individual set forth below. All such notices to either party shall be deemed to have been provided when delivered, if delivered personally, three (3) days after mailed, if sent by registered or certified mail, or the next business day, if sent by generally recognized, prepaid, overnight air courier services.

If to the Owner:
City of Las Cruces
City Manager
PO Box 20000
Las Cruces, New Mexico 88004

If to Manager:
Doña Ana Arts Council
Attn: Executive Director
PO Box 1721
Las Cruces, NM 88004

With a copy to:
City of Las Cruces
City Attorney
PO Box 20000
Las Cruces, New Mexico 88004

With a copy to:
Kemp Smith
Attn: CaraLyn Banks
880 S. Telshor Blvd.
Las Cruces, NM 88011

All correspondence copied to:
City of Las Cruces
Facilities Management
PO Box 20000
Las Cruces, New Mexico 88004

Section 13.6 Severability. If a court of competent jurisdiction or an arbitrator determines that any term of this Agreement is invalid or unenforceable to any extent under applicable law, the remainder of this Agreement (and the application of this Agreement to other circumstances) shall not be affected thereby, and each remaining term shall be valid and enforceable to the fullest extent permitted by law.

Section 13.7 Governing Law. The Agreement is to be construed and enforceable in accordance with, the laws of the State of New Mexico. Disputes not otherwise resolved by the parties shall be brought in the Third Judicial District Court of Dona Ana County, New Mexico.

Section 13.8 Amendments. Neither this Agreement nor any of its terms may be changed or modified, waived, or terminated (unless as otherwise provided hereunder) except by an instrument in writing signed by an authorized representative of the party against whom the enforcement of the change, waiver, or termination is sought.

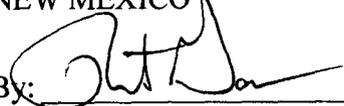
Section 13.9 Waiver; Remedies. No failure or delay by a party hereto to insist on the strict performance of any term of this Agreement, or to exercise any right or remedy consequent to a breach thereof, shall constitute a waiver of any breach or any subsequent breach of such term. No waiver of any breach hereunder shall affect or alter the remaining terms of this Agreement, but each and every term of this Agreement shall continue in full force and effect with respect to any other then existing or subsequent breach thereof. The remedies provided in this Agreement are cumulative and not exclusive of the remedies provided by law or in equity.

Section 13.10 Relationship of Parties. Manager and Owner acknowledge that they are not joint venturers, partners, or joint owners with respect to the Facility, and nothing contained in this Agreement shall be construed as creating a partnership, joint venture or similar relationship between Owner and Manager.

Section 13.11 Counterparts. This Agreement may be executed in counterparts, each of which shall constitute an original, and all of which together shall constitute one and the same document.

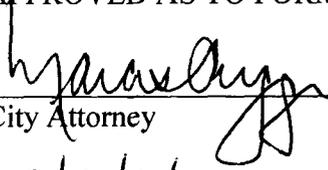
IN WITNESS WHEREOF, each party hereto has caused this Management Agreement to be executed on behalf of such party by an authorized representative as of the date first set forth above.

CITY OF LAS CRUCES,
NEW MEXICO

By: 

Name: Robert Garza
Title: City Manager

APPROVED AS TO FORM:

Asst. 
City Attorney
7/2/14

DOÑA ANA ARTS COUNCIL

By: 

Name: Scott Breckner
Title: Board President

**EXHIBIT A
DUTIES**

Manager's duties shall consist of the following obligations:

(a) Manage all aspects of the Facility in accordance with the terms of this Agreement, including but not limited to purchasing, payroll, fire prevention, security, crowd control, minor repairs and maintenance, janitorial services, promotions, advertising, energy conservation, security, box office, admission procedures, and general user services.

(b) Establish prices, rates and rate schedules for user, license, concessions, occupancy, and advertising agreements, and booking commitments, at the Facility. Manager may deviate from established rate schedule when entering into any such agreements if determined by Manager, using reasonable business judgment, to be necessary or appropriate with respect to specific situation.

(c) Procure, negotiate, execute, administer, and assure compliance with service contracts with respect to the Facility, including without limitation contracts for ticketing, web development and maintenance, computer support services, FF&E purchasing services, maintenance, telephone, staffing personnel including guards and ushers, extermination and other services which are deemed by Manager to be either necessary or useful in operating the Facility. Manager shall obtain the prior written approval of the Owner, which approval shall not be unreasonably withheld or delayed, before entering into any such contract with a term longer than the Term.

(d) Procure, negotiate, execute, administer and assure compliance with Doña Ana Arts Council, concessions and merchandising agreements, user/rental agreements, booking commitments, licenses, and all other contracts or agreements required in the ordinary course of business in operating the Facility. Manager shall obtain the prior written approval of the Owner, which approval shall not be unreasonably withheld or delayed, before entering into any such contract with a term longer than the Term. The Manager may provide the concession services on an "in-house" basis, in which case Manager and Owner shall mutually agree on the compensation to be paid in consideration of such additional service.

(e) Continue to utilize the standard form advertising and sponsorship contracts, user/rental agreements and license agreements developed by Manager for use at or with respect to the Facility.

(f) Operate and maintain the Facility, including the equipment utilized in connection with its operation and any improvements made during the term of this Agreement, in the condition received, normal wear and tear excepted.

(g) Arrange for and otherwise book events at the Facility in accordance with booking guidelines established by Manager. Manager may deviate from established booking guidelines when entering into any such agreements if determined by Manager, using reasonable business judgment, to be necessary or appropriate with respect to specific situation.

(h) Hire or otherwise engage, pay, supervise, and direct all personnel Manager deems necessary for the operation of the Facility in accordance with Article 4 of the Agreement, and conduct staff planning, retention and training programs as determined to be necessary by Manager in its sole discretion.

(i) In accordance with Article 8 of the Agreement, maintain detailed, accurate and complete financial and other records of all its activities under this Agreement in accordance with generally accepted accounting principles, which records shall be made available to the Owner upon

request; and submit to the Owner in a timely manner financial and other reports detailing Manager's activities in connection with the Facility.

(j) Prepare a proposed annual Facility Operating Budget and submit such proposed budget to the Owner, both in accordance with Article 5 of the Agreement.

(k) Pay all Facility Operating Expenses and other expenses incurred in connection with the operation, maintenance, supervision and management of the Facility with funds as described in Article 8 of the Agreement.

(l) Secure, or assist the Owner (or any other third party, as applicable) to secure, or maintain, as applicable, all licenses and permits necessary for the operation and use of the Facility for the specific events to be held therein, and for the general occupancy of the Facility, including without limitation all necessary food and liquor licenses, and renewals thereof. The Owner shall cooperate in this process to the extent reasonably required, and any costs associated with this process shall be an operating expense of the Facility, payable by funds from the Facility Operating Account.

(m) In accordance with Article 7 of the Agreement, collect in a timely manner and deposit in the Facility Revenue Account any ticket sale revenues which it receives in the contemplation of or arising from an event pending the completion of the event; and collect in a timely manner and, except as described above, deposit in the Facility Operating Account all Revenue.

(n) Pay any and all governmental assessments, franchise fees, excises, license and permit fees, levies, charges and taxes, of every kind and nature whatsoever, which at any time during the Term may be assessed, levied, or imposed on, or become due and payable out of or in respect of, (i) activities conducted on behalf of the Owner at the Facility, including without limitation the sale of concessions, the sale of tickets, and the performance of events (such as any applicable sales and/or admissions taxes, use taxes, excise taxes, occupancy taxes, employment taxes, and withholding taxes), or (ii) any payments received from any holders of a leasehold interest or license in or to the Facility, from any guests, or from any others using or occupying all or any part of the Facility (collectively, "Taxes").

(o) Shall maintain ongoing relationships with various boards, committees, and departments of the City, the local Chambers of Commerce, and other local groups, boards, and committees.

(p) Plan, prepare, implement, coordinate and supervise all public relations and other promotional programs for the Facility.

(q) Prepare, maintain and implement on a regular basis a marketing plan for the advertising and promotion of the Facility and Facility events.

(r) Document all major damage to, or loss in, Facility inventory during the Term as soon as such damage or loss is discovered by Manager, and promptly notify Owner in writing of such damage or loss.

(s) Manage risk management and Facility insurance needs, as more fully described in Article 12 of the Agreement.

(t) Make and be responsible for minor repairs and maintenance and equipment servicing. Manager shall be responsible for ensuring that repairs and maintenance shall be of a quality and class at least equal to that of the item being repaired or maintained. Any replacement of an item in inventory, or any new item added to the inventory, which is paid for by the Owner, shall be deemed the property of the Owner.

EXHIBIT B INSURANCE

At all times during this Agreement, Manager shall:

(a) maintain commercial general liability insurance, including products and completed operations, bodily injury and property damage liability, contractual liability, independent contractors' liability and personal and advertising injury liability against claims occurring on, in, or about the Facility, or otherwise arising under this Agreement;

(b) maintain umbrella or excess liability insurance;

(c) maintain commercial automobile liability insurance, including coverage for the operation of owned, leased, hired and non-owned vehicles;

(d) maintain appropriate workers compensation and employer's liability insurance as shall be required by and be in conformance with the laws of the State of New Mexico; and

(e) maintain professional liability insurance and self-insured employment practices liability coverage;

In the case of the general liability, automobile and excess/umbrella policies, the City of Las Cruces will be named as additional insured.

Such liability insurance shall be maintained in the following minimum amounts throughout the Term:

- **Commercial General Liability**
 - \$1,000,000 per occurrence
 - \$1,000,000 personal and advertising injury
 - \$1,000,000 products-completed operations aggregate
- **Automobile Liability**
 - \$1,000,000 per accident (PI and PD combined single limit)
 - \$1,000,000 uninsured/underinsured motorist
- **Umbrella or Excess Liability**
 - \$5,000,000 per occurrence and aggregate
- **Workers Compensation**
 - Workers Compensation: Statutory
 - Employer's Liability: \$100,000 each accident-bodily injury by accident
 - \$500,000 policy limit-bodily injury by disease
 - \$100,000 each employee-bodily injury by disease
- **Professional Liability/Errors & Omissions (Claims Made)**
 - \$1,000,000 each occurrence/aggregate
 - Policy is to include:
 - Entity Coverage
- **Crime Coverage**
 - Type: Blanket Crime Bond
 - Limit: \$500,000

EXHIBIT C
DONA ANA ARTS COUNCIL EQUIPMENT INVENTORY

Dona Ana Arts Council Inventory of Equipment and Furnishings Located
at the Rio Grande Theatre, 211 North Main Street, Las Cruces, NM

DOÑA ANA ARTS COUNCIL INVENTORY LIST

1 RED UPHOLSTERED SWIVEL CHAIR	OFFICE 1
2 RED UPHOLSTERED SWIVEL CHAIR	
3 BLOND WOOD TABLE W.SHELF	
4 BOOKCASE W/GLASS ON TOP SHELF	
5 2 DRAWER LATERAL FILE CABINET	
6 BLACK OFFICE SWIVEL CHAIR-EXECUTIVE	
7 OAK DESK W/GLASS ON TOP -6 DRAWERS	
8 TRAPAZOID WORK TABLE	
9 PINK UPHOLSTERED ARM CHAIR	OFFICE 2
10 PINK UPHOLSTERED ARM CHAIR	
11 4 DRAWER FILE CABINET LETTER SIZE	
12 GRAY UPHOLSTERED SWIVEL CHAIR W/ARM RESTS	
13 BLACK DESK-NO DRAWERS	
14 BLACK 3 DRAWER WHEELED CABINET UNDER DESK	
15 3 DRAWER ROLL ARIYBD CART (PLASTIC)	
16 5 SHELF BOOKCASE (CHERRY)	
17 2 DRAWER LATERAL FILE CABINET	
18 RED UPHOLSTERED SWIVEL CHAIR	OFFICE 3
19 RED UPHOLSTERED SWIVEL CHAIR	
20 GREY SWIVEL CHAIR (NO ARM RESTS)	
21 METAL DESK-RED W/GRAY TOP 3DRWR LEFT,2 RIGHT,1 CENTER	
22 BLACK 2 DRAWER FILE CABINET-LETTER SIZE	
23 BLACK 2 DRAWER FILE CABINET-LETTER SIZE	
24 BROWN ARM CHAIR	OFFICE 4
25 OFFICE CHAIR W/ARMS, SWIVEL	
26 4 DRAWER "HON" LETTER SIZE FILE CABINET	
27 4 DRAWER "FILEX" LETTER SIZE FILE CABINET	
28 5 SHELF BOOKCASE (CHERRY)	
29 GREEN METAL DESK 4 DRAWER LEFT 3 DRAWER RIGHT 1 CENTER DRAWER	
30 WOOD DESK (OAK) 3 DRAWER LEFT 3 DRAWER RIGHT 1 CENTER DRAWER	
31 6' BROWN BANQUET TABLE	

Dona Ana Arts Council Inventory of Equipment and Furnishings Located
at the Rio Grande Theatre, 211 North Main Street, Las Cruces, NM

32	RED UPHOLSTERED SWIVEL CHAIR	RECEPTION
33	RED UPHOLSTERED SWIVEL CHAIR	
34	WOOD CABINET W/DRAWER	
35	OFFICE CHAIR W/ARMS, SWIVEL BLACK	
36	OFFICE CHAIR W/ARMS BLACK & SILVER	
37	BLACK DESK-6' NO DRAWERS	
38	BLACK WHEELED CABINET UNDER DESK	
39	OAK CREDENZA 5' W/LATERAL FILE DRAWER	
40	OAK LATERAL FILE CABINET	
41	BLACK SIDE DESK -4'	
42	4 DRAWER LATERAL FILE	STORAGE
43	STL SHELVING 7' TALL & 4' WIDE	
44	STL SHELVING 7' TALL & 4' WIDE	
45	PAPER CUTTER	
46-80	GRAY CHAIR W/ARMS	CONFERENCE ROOM
81-86	5'CONFERENCE TABLE	
87	5' BANQUET TABLE	
88	WOOD DESK - 7 DRAWERS	
89	SONY TV TRINITRON IN TECH HALL	
90	BLUE TRASH CAN	
91	SILVER URN	
92	BLUE TRASH CAN	BREAK ROOM
93	STAINLESS STEEL ROLLING CART	
94	STEPSTOOL	
95	5X5 REFRIGERATOR FREEZER	
96	WIRE RACK W/WATER BOTTLES	
97	WOOD ARM CHAIR W/UPHOLSTERED SEAT & BACK	EXIT HALL
98	WOOD TABLE	ENTRY HALLWAY
99	6' TABLE -WOOD W/GLASS TOP	GALLERIES/LOBBY
100-103	ROUND IRON FOLDING TABLE	
104-108	WROUGHT IRON FOLDING CHAIR	
109	WOOD ROYAL CHAIR	
110	WOOD ROYAL CHAIR	
111	WOOD CLAW LEG TABLE	

Dona Ana Arts Council Inventory of Equipment and Furnishings Located
at the Rio Grande Theatre, 211 North Main Street, Las Cruces, NM

112	PLASTIC CHAIR	GALLERIES/LOBBY, CTD
113	PLASTIC CHAIR	
114	ETHERIDGE GLASS MARQUIS SIGN	
115	Wood Table	
116	Wood Drop Leaf Table	
117	Podium Wood	
118-121	Adjustable Stool-Steel w/wood seat	
122	Metal Desk (gray)	Tech Office
123	2 DRAWER LATERAL FILE CABINET	
124	"HON" 1 shelf book case	
125	Office swivel chair no arms	
126-130	Trapazoidal folding table	Tech Hall
131	3' Folding Table	
132-133	4' Folding Table	
134-137	8' Folding Table	
138-139	White Plastic Folding Table	
140	8' Sted Ladder-Fiberglass	
141-142	Rubbermaid Green Cooler	
143	Igloo Blue Cooler w/wheels & handle	
144	Igloo Red Cooler	
145-151	Wood Display Pedestal	
152-153	Large Wood Easel	
154	Black Metal sandwich Board	
155-156	Aluminum Easel	
157-158	Plastic Folding Chair-"Lifetime"	
159	Rubbermaid Gray Cooler	
160	PVX Crossover for Subwoofers	Control Room
161-162	PV Dial Equalizer	
163	Swivel Chair	
164	Purple 3 shelf Storage Unit	
165	Gray 3 shelf Storage Unit	
166-167	PV Subwoofers 18" & cables	Stage
168	Amplifier "American Audio" VLP1500	
169-172	PV Monitor PR150	

Dona Ana Arts Council Inventory of Equipment and Furnishings Located
at the Rio Grande Theatre, 211 North Main Street, Las Cruces, NM

173	Trapazoidal Folding Table	Stage, Ctd.
174	Podium	
175	2 Drawer File Cabinet -legal-wood	
176	K. Kawaii Piano 5' 10' Baby Grand w/ bench	
177-182	Musician Chair Metal	Back Stage
183	6 Section 4 st5ep Risers w/ Handrails	
184	Folding Banquet Table	Green Room
185	Blue Igloo Cooler	
186	Wood Desk 7 Drawer	
187	Wood Book Case 5 shelf 6'tall 3/ wide	
188	Clawfoot Chair-wood	
189-190	Wood Folding chair w/ arms	
191-192	Wood Round Table 24'	
193	Kenmore refrigerator (Small)	
194-195	Lamp Round	
196	Ugly Brown Love Seat	
197	Ugly Brown Couch	
198	Green & Red Rug	
199-202	Blue Plastic Stackable Chair	
203	Trash Container 32 qt Rubber Maid	
204	Wood Recliner	Dressing Room
205-206	Stackable Plastic Chair	
207-209	Stackable Metal & Vinyl chairs	
210-212	Metal Folding Chair w/padded seat	
213-228	Metal Folding Chair w/padded seat	
229	2 Drawer Lateral File Cabinet (Cream)	
230	2 Drawer Letter File Cabinet	
231	Husky Air Compressor	
232	32 Gallon Trash Container (gray)	
233	32 Gallon Trash Container (green)	
234	Rigid Shop Vacuum	
235-236	Wooden Stands-Black	
237	Hand truck 4 wheels 2way (black)	

Dona Ana Arts Council Inventory of Equipment and Furnishings Located
at the Rio Grande Theatre, 211 North Main Street, Las Cruces, NM

238-239	Mic sm57 Shure	Control Room
240	Mic sm81 Shure	
241-242	Mic Beta57 Shure	
243	Painting 29x35	Office #1
244	Mirror 12x24	
245	Painting 20x16 Organ Mountains	Office #2
246	Painting 18x29 by Alice Peden	
247	Painting 19x23 by Alice Pedein NMWS	
248	Poster framed "nana" 19x25	Office #4
249	Horses picture 11x16	
250	Painting "Saddle Up" 5x19 Kathleen Squires	RECEPTION
251	Painting "Being There" by Don Brewer	
252	Painting "Rio Grande Theatre" 11x15 by Kathleen Squires	
253	Painting "Adobe De Mesilla" by Carlos West	
254	Painting \$ Trees Pelan 31x24	
255	Painting "House Front by CA Polyn 22x19	
256	Painting "Color Horses" 30x28	Copy Room
257	Red Theatre Sign 15x11	
258	Picture "Mariachi Kid" 15x11	
259	Picture "RGT Front" night 18x24	RECEPTION
260	"Unicorn" drawing by Maria Cristina 20x18	
261	Painting gold frame Corner Home 22x18	Kitchen
262	Drawing Unicorn "Holy Cross CraftFaire" 19x16	
263	Picture "Flaminco Dancer" 13x13	
264	Picture "Red Chile Ristra" 15x37 1/2	
265	Clock (purple) 15x11	
266	Painting "oil" Water-sun-field-tree by Bob Diven 22x26	CONFERENCE ROOM
267	Painting "Woman by Tree" by H Leyendecker 27x23	
268	Painting "Mountains" oil by Tombaugh 26x27	
269	Picture poster "The Santa Fe Opera" 22x31	
270	Picture Organ Mountains- reflections 13 1/2 x 10 1/2	
271	Drawing in Colors bu Marc Chayell 35x38	
272	African Mask by Kathe Stark	Hallway upstairs
273	Painting with Facemask 25x19	

Dona Ana Arts Council Inventory of Equipment and Furnishings Located
at the Rio Grande Theatre, 211 North Main Street, Las Cruces, NM

274 Drawing RGT Theatre Front 16 1/2 x 13	Hallway upstairs,Ctd.
275 Paper Bag framed Holy Cross Craftfaire 19x23	
276 Drawing Holy Cross Craft 15x23	
277 Poster Framed DAAC Renaissance ArtsFair 18x24	
278 Painting "Window" 17x21	Stairwell
279 Painting "Church" 23x27	Lobby
280 Oil Painting "Organs" 50x40	
281 Drawing "RGT Front" In Appreciation 15x16	
282 RGT Pen & Pencil 11x12	Tech Office
283 Drawing "RGT Front" by jack Pumphrey 25x21	Green Room
284 Organs picture black & white 20x16	
285 "A" Collection of small picktures 11x9	
286 "B" Collection of small pictures 11x9	
287 Custom Rack black & Chrome 58x55	
288 Custom Rack black & Chrome 25x67 w/wheels	
289 Custom rack black & chrome 36x64 w/wheels	Dressing Room
290 Custom Rack all chrome w/wheels 38x67	
291 B&W Picture of inside RGT 28x24	Lobby
292 B&W Picture outside with people 28x24	
293 B&W Picture outside RGT Parade 28x24	
294 Color picture Street RGT 28x24	
295 B&W Picture of posters of RGT 14x18	
296 Clute Muggenberg Founders Frame 40x36	North Gallery
297 RGT Donors poster 40x60	
298 Architect Drawing of RGT 23x36	
299 Color RGT Drawing Front Elevator 24x36	
300 RGT Original Plans Drawingt 24x22	
301 RGT Original plans RGT Ticket Booth 20x26	
302 Newspaper Page Prclamation Framed 11x17	
303 Newspaper Cups Framed 12x18	
304 B & W picture RGT Staff 18x14	
305 B & W picture RGT Refreshment Stand 18x14	
306 B & W picture Stage RGT Christmas Pagent 18x14	
307 B & W picture RGT Front circa 1947 18x14	

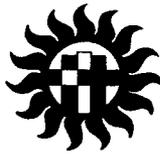
Dona Ana Arts Council Inventory of Equipment and Furnishings Located
at the Rio Grande Theatre, 211 North Main Street, Las Cruces, NM

308 B & W picture Candyland stand inside RGT 18x14	
309 NM Board of Pharmacy framed certificate 18x15	
310 Collage Display Board of certificates 40x15	
311 B & W picture of Members of "Fox Intermountain" 35x11	
312-313 Clear Com BletPack Rs 60 for stage to tech communication	Control Room
314 Painting by Jimmie Seale on Loan from Great Grandchild of BG Dyne 14x11	North Gallery
315 Painting by Jimmie Seale on Loan from Great Grandchild of BG Dyne 14x11	
316 DVD Player Phillips Black	Control Room
317-319 MAG Lite flashlight black 10" long	
320 Laptop Gateway w/windows Vista 15" screen	
321 Old PC W/windows XP professional	Tech Office
322-339 Altman Stage Lighting Ellipsoidal Reflector Spot Light	Tech Hallway
340-343 Par Can 64 blk spotlight	
344-351 Stage Cable 3 pin twofer	
355 3 Pin cable female to Edison Male 5' long	
356 3 Pin cable male to Edison Female 17'	
357 3 pin cable female to edison male 13"	
358 3 Pin Cable Female to Edison Male 9"	
359 3 Pin cable male to Edison Female 12'	
360 Active DI Box Ultra DI Behringer	
361-371 XLR Mic Cable Whirlwind 25' long	
372-373 1/4 Jack Cable 10'	
374 1/4 Jack Cable 5'	
375 Standing Lamp 5'	
376 2 step ladder	
377 18" Stool	
378-379 Plastic Marquis Portable Black 40x26	
380 Rubbermaid grey plastic container small cans	
381 Rubbermaid grey paint buckets 5 gallon	
382 Blue Werner stepladder	
383 Wheelchair (Brown)	
384 Wheelchair (Blue)	
385 Wheelchair (Dark Blue)	
386 Sterlite Green Plastic container 3'	

Dona Ana Arts Council Inventory of Equipment and Furnishings Located
at the Rio Grande Theatre, 211 North Main Street, Las Cruces, NM

387-389	Brown wooden armchair	
390	Brown Wood 4 drawer filing cabinet	
391	Brown small book stand	
392	Desktop PC Lengvo	Office #1
393	Monitor Emach 19" screen	
394	Small Table Browm	
395	Brass Container	
396	Mirror Gold Frame 24 Diamond	Woman's bathroom
397	Brass Container	
398	Brown Small table	
399	Print Green Sheal	
400	Foam Sculpture Lady	Upstairs bathroom
401	Laptop Model CL51	CONFERENCE ROOM
402	Emerson Microwave	Kitchen
403	HP OfficeJet Printer FAX	
404	Monitor 19" Acer	Office #2
405	HP PC desktop	
406	External Hard Drive Seagate	
407	PC Desktop Dell	Office #3
408	Monitor 17" Dell	
409	PC Desktop DELL	Office #4
409	PC Desktop Dell	
410	Monitor Acer AL 1916 19"	
411	PC Desktop HP Compaq	Reception
412	Monitor Acer LED 20"	
413	Badgeamatic I Button Maker	Copy Room
414	Server Araid 99-2000	
415	Clay Pace Sculpture	Office #4
416	Marley Floor	
417	DI PC Box	Control Room
418	Painting by Ken Barrick Artist 2014 DAAC Awards	Office #2
419	Outside Wreath box	Basement
420	6.5' Metal Knight Sculpture "Fred"	CONFERENCE ROOM
421-495	Framed Concert Posters	AUDITORIUM HALLWAY

PROPOSAL EVALUATION REPORT		
TITLE: Management of the City Owned Rio Grande Theatre	TOTAL POINTS POSSIBLE	Points
RFP NO.: 13-14-362		Dona Ana Arts Council
CRITERIA		
Management approach to the Theatre operation	1000	650
Qualifications/competence of project team members to perform project	600	450
Capacity and capability of the firm to perform the project, and to do so in a timely manner	1000	600
Management structure and approach to the project including time-line, task breakdowns and assignments	600	360
Performance of the firm with previous clients based upon quality of the work, control of costs, ability to meet schedules, and responsiveness to the client	400	300
Clarity of proposal	400	250
TOTAL	4000	2610



City of Las Cruces[®]

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Council Action and Executive Summary

Item # 6 Ordinance/Resolution# 13-14-362

For Meeting of _____
(Ordinance First Reading Date)

For Meeting of June 16, 2014
(Adoption Date)

Please check box that applies to this item:

QUASI JUDICIAL LEGISLATIVE ADMINISTRATIVE

TITLE: A RESOLUTION AWARDING A CONTRACT STARTING JULY 1, 2014 FOR MANAGEMENT OF THE CITY-OWNED RIO GRANDE THEATER IN THE AMOUNT OF \$100,000.00 TO THE DONA ANA ARTS COUNCIL, INC., OF LAS CRUCES, NEW MEXICO, FOR YEAR ONE OF A POSSIBLE FIVE-YEAR MANAGEMENT CONTRACT, SUBJECT TO ANNUAL LAS CRUCES CITY COUNCIL APPROVAL.

PURPOSE(S) OF ACTION:

Approve a management contract.

COUNCIL DISTRICT: 5		
<u>Drafter/Staff Contact:</u> D. Eric Martin	<u>Department/Section:</u> Public Works/Facilities Management	<u>Phone:</u> 541-2616
<u>City Manager Signature:</u>		

BACKGROUND / KEY ISSUES / CONTRIBUTING FACTORS:

As part of a review of its property management agreements, the City of Las Cruces (City) has been making adjustments to its various contracts to make them more consistent and to assure compliance with both local and state regulations. In addition, the City has been looking at longer term facility contracts, renewable annually, to allow improved continuity for a given tenant, and to reduce the necessity to annually redraft contracts.

The City owns the Rio Grande Theater located at 211 N. Main St. in the downtown area. The facility, constructed in 1926, first served as a movie theater, and ultimately was renovated in the early 2000's to serve as a performing arts space with the Dona Ana Arts Council providing the programming for the facility. It was placed on the National Historic Register in 2004. The City considers the Rio Grande Theater to be an important part of downtown activities through the arts and performance-related programming offered at the facility, and it also provides support for local economic development initiatives.

The Purchasing Manager issued Request for Proposal (RFP) Solicitation Number 13-14-362 on February 7, 2014. A pre-proposal conference was held on February 13, 2014. The deadline for receiving proposals was March 14, 2014. The Selection Advisory Committee (SAC) met on Tuesday, April 8, 2014 to evaluate the proposals. One proposal was received from the Dona

Ana Arts Council for management of the facility. After review by the SAC, City staff was authorized to begin negotiations.

Negotiations have been concluded and an agreement was drafted and reviewed by City staff and the Dona Ana Arts Council Board. The agreement is for a five-year management contract, renewable annually, contingent on available budget. In addition, the City retains the right to use the Theater on an "as-needed" basis throughout the contract for City functions as necessary.

SUPPORT INFORMATION:

1. Resolution.
2. Exhibit "A", Purchasing Manager's Request to Contract Form.
3. Exhibit "B", DRAFT Management Agreement.
4. Attachment "A", Selection Advisory Committee evaluation sheet.

SOURCE OF FUNDING:

Is this action already budgeted?	Yes	<input checked="" type="checkbox"/>	See fund summary below
	No	<input type="checkbox"/>	If No, then check one below:
	<i>Budget Adjustment Attached</i>	<input type="checkbox"/>	Expense reallocated from:
		<input type="checkbox"/>	Proposed funding is from a new revenue source (i.e. grant; see details below)
		<input type="checkbox"/>	Proposed funding is from fund balance in the _____ Fund.
Does this action create any revenue?	Yes	<input type="checkbox"/>	Funds will be deposited into this fund: _____ in the amount of \$ _____ for FY _____.
	No	<input checked="" type="checkbox"/>	There is no new revenue generated by this action.

BUDGET NARRATIVE

Funding to award the contract will come from the approved FY15 General Fund budget items listed as City Contribution to Dona Ana Arts Council in the amount of \$60,000 and Legislative Reserves – Purchase Services in the amount of \$40,000.

FUND EXPENDITURE SUMMARY:

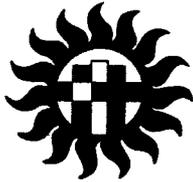
Fund Name(s)	Account Number(s)	Expenditure Proposed	Available Budgeted Funds in Current FY	Remaining Funds	Purpose for Remaining Funds
Fund 1000 - General Fund – City Contribution to Dona Ana Arts Council	10100040- 722190	\$60,000.00	\$60,000.00	\$0.00	N/A
Fund 1000 - General Fund – Legislative Reserve	10100040- 722190	\$40,000.00	\$659,433.00	\$619,433.00	FY15 legislative actions

OPTIONS / ALTERNATIVES:

1. Vote "Yes"; this will approve the Resolution, and authorize year 1 of a possible 5-year management contract to the Dona Ana Arts Council of Las Cruces, NM.
2. Vote "No"; this will not approve the Resolution, and will not approve the management contract with the Dona Ana Arts Council. The existing lease will conclude effective June 30, 2014 and operations potentially would cease at that location at that time.
3. Vote to "Amend"; this will direct staff to proceed as amended by City Council. This may require additional direction to staff to modify the Resolution.
4. Vote to "Table"; City Council could provide staff with further direction. This would delay implementation of the contract and potentially shut down operations at the theater as of June 30, 2014.

REFERENCE INFORMATION:

1. N/A.



City of Las Cruces®

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COUNCIL ACTION AND EXECUTIVE SUMMARY PACKET ROUTING SLIP

For Meeting of _____
 (Ordinance First Reading Date)

For Meeting of JUNE 16, 2014
 (Adoption Date)

TITLE:

A RESOLUTION AWARDING A CONTRACT STARTING JULY 1, 2014 FOR MANAGEMENT OF THE CITY-OWNED RIO GRANDE THEATER IN THE AMOUNT OF \$100,000.00 TO THE DONA ANA ARTS COUNCIL, INC., OF LAS CRUCES, NEW MEXICO, FOR YEAR ONE OF A POSSIBLE FIVE-YEAR MANAGEMENT CONTRACT, SUBJECT TO ANNUAL LAS CRUCES CITY COUNCIL APPROVAL.

Purchasing Manager's Request to Contract (PMRC) {Required?} Yes No

DEPARTMENT	SIGNATURE	PHONE NO.	DATE
Drafter/Staff Contact	<i>[Signature]</i>	72616	5/30
Department Director	<i>[Signature]</i>	528-3125	5/30/14
Other			
Assistant City Manager /CAO Management & Budget Manager	<i>[Signature]</i>	3401 2107	6-4-14 6/2/14
Assistant City Manager/COO	<i>[Signature]</i>	-7271	6/1/14
City Attorney	<i>[Signature]</i>	2128	06/09/14
City Clerk	<i>[Signature]</i>	x2/15	6/19/14

RESOLUTION NO. 15-247

A RESOLUTION FOR APPROVAL OF AN AMENDMENT TO THE MANAGEMENT AGREEMENT BETWEEN THE CITY OF LAS CRUCES (CITY) AND THE DONA ANA ARTS COUNCIL (DAAC) FOR OPERATION OF THE RIO GRANDE THEATRE (RGT), LOCATED AT 211 NORTH MAIN STREET, LAS CRUCES, NEW MEXICO, INCREASING THE CONTRACT AMOUNT TO \$120,000.00 FOR YEAR TWO OF A POSSIBLE FIVE YEAR MANAGEMENT AGREEMENT SUBJECT TO ANNUAL CITY OF LAS CRUCES COUNCIL APPROVAL.

The City Council is informed that:

WHEREAS, the City owns the RGT located at 211 North Main Street; and

WHEREAS, the RGT continues to be an important component of economic development in the downtown area through arts and performance programming at the facility; and

WHEREAS, DAAC was awarded the Request for Proposal and the Management Agreement hereafter referred to as "Agreement" between the City and the DAAC, and

WHEREAS, the Agreement is for a five-year term, contingent on available budget and with the City retaining use of the RGT on an "as-needed" basis, and

WHEREAS, the Amendment for approval will be for year two of the existing agreement for an additional one year term from July 1, 2015 to June 30, 2016, and

WHEREAS, the total Management Agreement funding for year two shall not exceed \$120,000 00 and is subject to City Council approval, and

WHEREAS, except as specifically amended, the original terms and conditions of the Agreement remain unchanged

NOW, THEREFORE, be it resolved by the governing body of the City of Las Cruces.

(I)

THAT the Amendment to the Management Agreement for the use of the RGT located at 211 North Water Street, between the City and the DAAC is hereby approved in

the amount of \$120,000 00 for year two of a possible five-year management contract.

(II)

THAT the Mayor is hereby authorized to execute the Amendment to Management Agreement, designated as Exhibit "A", attached hereto and made a part this resolution

(III)

THAT City staff is hereby authorized to do all deeds necessary in the accomplishment of the herein above.

DONE AND APPROVED this 6 day of July, 20 15

APPROVED

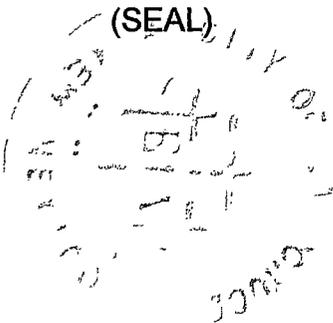


Mayor

ATTEST



City Clerk (Interim)



VOTE.

Mayor Miyagishima.	<u>Aye</u>
Councillor Silva.	<u>Aye</u>
Councillor Smith	<u>Aye</u>
Councillor Pedroza.	<u>Aye</u>
Councillor Small.	<u>Aye</u>
Councillor Sorg	<u>Aye</u>
Councillor Levatino	<u>Aye</u>

Moved by Silva

Seconded by Small

APPROVED AS TO FORM



City Attorney

**AMENDMENT TO MANAGEMENT AGREEMENT
BETWEEN CITY OF LAS CRUCES AND DONA ANA ARTS COUNCIL FOR
RIO GRANDE THEATRE LOCATED AT 211 N. MAIN STREET,
LAS CRUCES, NEW MEXICO**

This Amendment to Management Agreement (this "Amendment") is made and entered into on 18th day of June, 2015, effective as of July 1, 2015 by and between the City of Las Cruces ("City"), a New Mexico municipal corporation as Owner whose address is P O Box 20000, Las Cruces, NM 88004, and the Dona Ana Arts Council, a non-profit corporation ("DAARTS") as Manager, as follows

WITNESSETH

WHEREAS, the Owner and Manager have previously executed a Management Agreement dated July 1, 2014 (the Agreement) pursuant to the terms of which Manager has operated and managed the Rio Grande Theatre a city facility located at 211 N Main Street, Las Cruces, New Mexico ("Premises"), and

WHEREAS, the Owner and Manager have agreed to extend the Term of the Agreement as for an additional year which will be year 2 of a 5 year term as set forth on page 2 Article 2, (b), on the existing Management Agreement.

WHEREAS, the Owner and Manager have agreed to amend the Total Management Agreement Funding as set forth on page 6 and continued on page 7, Article 6, Section 6 1 and 6 2 during the Term 2015-2016, on the existing Management Agreement.

NOW THEREFORE, in consideration of the mutual promises contained herein and for other good and valuable consideration, the receipt and adequacy of which is hereby acknowledged, effective as of the 1st day of July, 2015, the parties agree as follows

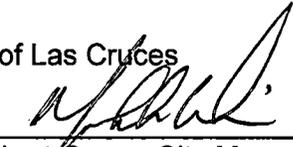
- 1 The parties acknowledge and agree that the Agreement is currently in effect and that neither party is in breach or default of the Agreement.
- 2 The parties agree by this Amendment to extend the term of the Agreement and to otherwise amend the Agreement as set forth below
- 3 The Agreement shall commence as of the 1st day of July, 2015 and shall end on June 30th, 2016, both days inclusive
- 4 The parties agree by the Amendment to add to item 6 1 of the Agreement, the Owner shall disburse the additional \$20,000 funds half in July, 2015 and half in January, 2016 upon the submittal of the required Monthly and Quarterly reports.
- 5 The parties agree by this Amendment to the Total Management Agreement Funding by Owner for this Management Agreement during Term 2015-2016 shall not exceed \$120,000
- 6 Except as specifically amended hereinabove, the original terms and provisions of the Agreement remain in full force and effect, and the parties hereby affirm and consent to the Agreement, as herein amended and agree to be bound thereby

IN WITNESS WHEREOF, this Amendment has been executed on the date first above written.

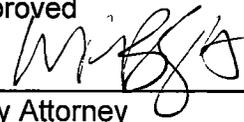
Dona Ana Arts Council

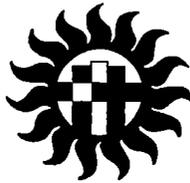
BY  6/18/15
Scott Breckner, Board President

City of Las Cruces

BY 
for Robert Garza, City Manager

Approved


, City Attorney



City of Las Cruces®

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COUNCIL ACTION AND EXECUTIVE SUMMARY PACKET ROUTING SLIP

For Meeting of _____
(Ordinance First Reading Date)

For Meeting of July 6, 2015
(Adoption Date)

TITLE: A RESOLUTION FOR APPROVAL OF AN AMENDMENT TO THE MANAGEMENT AGREEMENT BETWEEN THE CITY OF LAS CRUCES (CITY) AND THE DONA ANA ARTS COUNCIL (DAAC) FOR OPERATION OF THE RIO GRANDE THEATRE (RGT), LOCATED AT 211 NORTH MAIN STREET, LAS CRUCES, NEW MEXICO, INCREASING THE CONTRACT AMOUNT TO \$120,000 FOR YEAR TWO OF A POSSIBLE FIVE YEAR MANAGEMENT AGREEMENT SUBJECT TO ANNUAL CITY OF LAS CRUCES COUNCIL APPROVAL.

Purchasing Manager's Request to Contract (PMRC) {Required?} Yes No

DEPARTMENT	SIGNATURE	PHONE NO.	DATE
Drafter/Staff Contact	<i>Cathy Swartz</i> BSA FOR DEM	X 2767	6/26/15
Department Director	<i>[Signature]</i>	X 3135	6/26/15
Other	<i>[Signature]</i>		
Assistant City Manager /CAO Management & Budget Manager	<i>[Signature]</i>	X 2028 X 2106	6/26/15 6/26/15
Assistant City Manager/COO	<i>[Signature]</i> for D. Avila	X 2271	6/26/15
City Attorney	<i>ASL on behalf of Wil Berkeleyton Jr</i>	X 541-2128	6/26/15
City Clerk -Interim	<i>[Signature]</i>	541-2115	6/26/15



City of Las Cruces®

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Council Action and Executive Summary

Item # 18

Ordinance/Resolution# 15-247

For Meeting of _____
(Ordinance First Reading Date)

For Meeting of July 6, 2015
(Adoption Date)

Please check box that applies to this item:

QUASI JUDICIAL

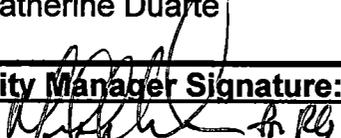
LEGISLATIVE

ADMINISTRATIVE

TITLE: A RESOLUTION FOR APPROVAL OF AMENDMENT TO MANAGEMENT AGREEMENT BETWEEN THE CITY OF LAS CRUCES (CITY) AND THE DONA ANA ARTS COUNCIL (DAAC) FOR OPERATION OF THE RIO GRANDE THEATRE (RGT), LOCATED AT 211 NORTH MAIN STREET, LAS CRUCES, NEW MEXICO, INCREASING THE CONTRACT AMOUNT TO \$120,000 FOR YEAR TWO OF A POSSIBLE FIVE YEAR MANAGEMENT AGREEMENT, SUBJECT TO ANNUAL CITY OF LAS CRUCES COUNCIL APPROVAL.

PURPOSE(S) OF ACTION:

Approve Amendment to the Management Agreement.

COUNCIL DISTRICT: 5		
<u>Drafter/Staff Contact:</u> Catherine Duarte	<u>Department/Section:</u> Public Works/Facilities Management	<u>Phone:</u> 541-2767
<u>City Manager Signature:</u> 		

BACKGROUND / KEY ISSUES / CONTRIBUTING FACTORS:

The City owns the RGT facility, which was constructed in 1926. It first served as a movie theater, and ultimately was renovated in the early 2000's to serve as a performing arts space with the DAAC providing the programming at the location. After completion of the renovations, it was placed on the National Historic Register in 2004. The City considers the RGT to be an important part of downtown activities through the arts and performance-related programming offered at the site while also providing support for local economic development initiatives.

On June 16, 2014, per Resolution 13-14-362, the DAAC was awarded a Management Agreement (Agreement) for a five-year term, renewable annually contingent on available budget and City Council approval. As part of the Agreement the City retains the right to use the RGT for various functions on an "as-needed" basis.

The proposed action is to authorize an amendment to the existing Agreement for year two of five, and to increase the amount paid to DAAC from \$100,000.00 to \$120,000.00 per year, for a

(Continue on additional sheets as required)

net change of \$20,000 00 The revised amount is a "not exceed" number Except as specifically noted above, the original terms and conditions of the Agreement remain unchanged

SUPPORT INFORMATION:

- 1 Resolution
- 2 Exhibit "A", Amendment to Management Agreement

SOURCE OF FUNDING:

Is this action already budgeted?	Yes	<input checked="" type="checkbox"/>	See fund summary below
	No	<input type="checkbox"/>	If No, then check one below:
	<i>Budget Adjustment Attached</i>	<input type="checkbox"/>	Expense reallocated from _____
		<input type="checkbox"/>	Proposed funding is from a new revenue source (i e grant; see details below)
		<input type="checkbox"/>	Proposed funding is from fund balance in the _____ Fund
Does this action create any revenue?	Yes	<input type="checkbox"/>	Funds will be deposited into this fund _____ in the amount of \$ _____ for FY _____
	No	<input checked="" type="checkbox"/>	There is no new revenue generated by this action

BUDGET NARRATIVE

Funds for this action are budgeted in FY16 under the General Fund, Legislative, Purchased Services account.

FUND EXPENDITURE SUMMARY:

Fund Name(s)	Account Number(s)	Expenditure Proposed	Available Budgeted Funds in Current FY	Remaining Funds	Purpose for Remaining Funds
General	10100040-722190-10940	\$120,000 00	\$120,000 00	0	N/A

OPTIONS / ALTERNATIVES:

- 1 Vote "Yes", to approve the Resolution, and authorizing year two of a possible five year Agreement with the to the DAAC

(Continue on additional sheets as required)

- 2 Vote "No", and not approve the Resolution, authorizing year two of a possible five year Agreement with the DAAC. The existing lease will conclude effective June 30, 2015 and therefore potentially ceasing operations.
- 3 Vote to "Amend", and direct staff to proceed as amended by City Council
- 4 Vote to "Table", and provide staff with further direction. This could delay implementation of the Agreement; therefore, potentially ceasing operations.

REFERENCE INFORMATION:

- 1 N/A