



**Date:** November 15, 2024

**To:** John Blair, City Manager

**From:** Travis Dutton-Leyda, Chief Procurement Officer

**Via:** Emily Oster, Finance Director *Emily K. Oster*

**Subject:** Assist the City with Implementing Best Value Approach (BVA) for Upcoming Procurements.

**Vendor Name:** Kashiwagi Solution Model, Inc. (KSM)

**Munis Vendor Number:** 10360

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## ITEM AND ISSUE:

Finance Department Respectfully Requests Your Review and Approval of a Professional Services Contract in an Amount Not to Exceed \$150,000 Excluding New Mexico Gross Receipts Tax to Assist the City's Purchasing Division with Implementing the Best Value Approach (BVA) for Upcoming Procurements of Construction and/or Service Contracts for a term of four years with Kashiwagi Solution Model, Inc. (KSM). (Travis Dutton-Leyda, Chief Procurement Officer: [tkduttonleyda@santafe.com](mailto:tkduttonleyda@santafe.com))

## CONTRACT NUMBER:

The FY25 Munis contract number is 3250302.

## BACKGROUND AND SUMMARY:

The Purchasing Department is striving to streamline the RFP Process to bring the City up to industry standards. The City of Santa Fe selected the Kashiwagi Solution Group (KSG) for their proven expertise in the Performance Information Procurement System (PIPS), a performance-based procurement approach that aligns with the City's goals of improving efficiency, transparency, and cost-effectiveness in public projects. KSG's method reduces risks, controls costs, and ensures accountability by focusing on measurable contractor performance rather than detailed specifications. Their success in public sector projects, combined with a collaborative and innovative approach, will help the City streamline procurement processes, mitigate risks, and avoid cost overruns, ultimately delivering high-quality, timely outcomes. KSG's system has consistently led to long-term savings, making them an ideal partner for the City's current and future projects.

**Prior Approvals and Supporting Information:**

**PROCUREMENT METHOD:**

The procurement method used was NMSA 1978, Section 13-1-126, Sole Source

Sole Source # 50-M0087-24-CP401

Chief Procurement Officer (CPO) / Designee: \_\_\_\_\_

Date: 11/21/2024

CPO Comment/Exceptions: \_\_\_\_\_

**FUNDING SOURCE:**

**Fund Name/Number:** Various - Funding to be Provided As Needed by Departments Utilizing KSM Model

**Munis Org Name/Number:** Various

**Munis Object Name/Number:** Various

Budget Officer / Designee: \_\_\_\_\_

Date: 11/21/2024

Budget Officer Comment/Exceptions: \_\_\_\_\_

**ASSOCIATED APPROVALS:**

Does this purchase require any of the following associated approvals: ☐ Yes | ☐ No  
(ITT, Vehicles/Fleet, Facilities, Asset, Grant Review)

IT Components included? ☐ Yes | ☐ No

Approval: \_\_\_\_\_ Title: \_\_\_\_\_ Date: \_\_\_\_\_

Comment/Exceptions: \_\_\_\_\_

Vehicles included? ☐ Yes | ☐ No

Approval: \_\_\_\_\_ Title: \_\_\_\_\_ Date: \_\_\_\_\_

Comment/Exceptions: \_\_\_\_\_

Construction, Facilities, Furniture, Fixtures, Equipment included? ☐ Yes | ☒ No

Approval: \_\_\_\_\_ Title: \_\_\_\_\_ Date: \_\_\_\_\_

Comment/Exceptions: \_\_\_\_\_

Capital Asset\* or Project\*\* ☐ Yes | ☒ No

Project Ledger #: \_\_\_\_\_

(\*will this procurement result in a tangible item that costs more than \$5,000?)

(\*\*Capital Projects are new and improvement projects that are going to cost \$10,000 or more)

Approval: \_\_\_\_\_ Title: \_\_\_\_\_ Date: \_\_\_\_\_

Comment/Exceptions: \_\_\_\_\_

Is this a Grant Funded Purchase? ☐ Yes | ☒ No

Approval: \_\_\_\_\_ Title: \_\_\_\_\_ Date: \_\_\_\_\_

Comment/Exceptions: \_\_\_\_\_

**ATTACHMENTS:**

Procurement Document: Sole Source Determination

Vendor's Quote

Professional Services Contract

Horizons declination

CPO Service Determination Email

Certificate of Liability Insurance

CITY OF SANTA FE  
PROFESSIONAL SERVICES CONTRACT

THIS CONTRACT is made and entered into by and between the City of Santa Fe, New Mexico, hereinafter referred to as the “City,” and **Kashiwagi Solution Model, Inc. (KSM)**, hereinafter referred to as the “Contractor,” and is effective as of the date set forth below upon which it is executed by the Parties.

**RECITALS**

**WHEREAS**, the Chief Procurement Officer of the City has made the determination that this Contract is in accordance with the provisions of the New Mexico Procurement Code (NMSA 1978, Section 13-1-28 et seq.) pursuant to NMSA 1978, Sections 13-1-126 and 13-1-28; and

**WHEREAS**, the Contractor is one of such requisite and qualifications and is willing to engage with the City for professional services, in accordance with the terms and conditions hereinafter set out, and the Contractor understanding and consenting to the foregoing is willing to render such professional services as outlined in the Contract; and

The City and the Contractor hereby agree as follows:

**1. Scope of Work**

The Contractor shall provide the following services-for the City:

Goal: Assist the City with implementing the Best Value Approach (BVA) for upcoming procurement of construction and/or services contracts.

- Phase 1 – Planning
  - Evaluate procurements and contracts for the City
  - Identify opportunities to apply BVA framework
- Phase 2 – Implementation
  - Assemble RFPs for the City
  - Customize BVA procurement frameworks for the identified procurements
  - Assist City procurement team with vendor selection using BVA
- Phase 3 – Contracting
  - Incorporate key performance metrics and risk management plans into contracts with selected vendors.
- Phase 4 – Performance Management
  - Help establish vendor performance tracking processes
  - Support City team with performance monitoring and issue resolution
- Phase 5 – Optimization
  - Use insights gained to help City refine and optimize BVA methodology for future procurement.

## **2. Standard of Performance; Licenses**

A. The Contractor does hereby accept its designation as a professional service, rendering services related to consulting services for the City, as set forth in this Contract. The Contractor represents that Contractor possesses the personnel, experience, and knowledge necessary to perform the services described under this Contract.

B. The Contractor agrees to obtain and maintain throughout the term of this Contract, all applicable professional and business licenses required by law, for itself, its employees, agents, representatives, and subcontractors.

## **3. Compensation**

A. The City shall pay to the Contractor in full payment for services satisfactorily performed, such compensation not to exceed One-Hundred Fifty Thousand dollars (\$150,000.00), excluding gross receipts tax. The New Mexico gross receipts tax levied on the amounts payable under this Contract totaling Twelve-thousand Two-Hundred Eighty-One dollars and Twenty-Five cents (\$12,281.25) shall be paid by the City to the Contractor. **The total amount payable to the Contractor under this Contract, including gross receipts tax and expenses, shall not exceed One-Hundred Sixty-Two Thousand, Two-Hundred Eighty-One Dollars and Twenty-Five Cents (\$162,281.25).**

B. Payment. The total compensation under this Contract shall not exceed \$162,281.25 including New Mexico gross receipts tax. **This amount is a maximum and not a guarantee that the work assigned to be performed by Contractor under this Contract shall equal the amount stated herein. The Parties do not intend for the Contractor to continue to provide Services without compensation when the total compensation amount is reached. Contractor is responsible for notifying the City when the Services provided under this Contract reach the total compensation amount. In no event will the Contractor be paid for Services provided in excess of the total compensation amount without this Contract being amended in writing prior to services, in excess of the total compensation amount being provided.**

C. Payment shall be made upon Acceptance of each Deliverable and upon the receipt and Acceptance of a detailed, certified Payment Invoice. Payment will be made to the Contractor's designated mailing address. In accordance with NMSA 1978, Section 13-1-158, payment shall be tendered to the Contractor within thirty (30) days of the date of written certification of Acceptance. All Payment Invoices MUST BE received by the City no later than fifteen (15) days after the termination of this Contract. Payment Invoices received after such date WILL NOT BE PAID.

D. **Notice of Extended Payment Provision For Grant Funded Contracts.** This contract allows the owner to make payment within 45 days after submission of an undisputed request for payment.

## **4. Term**

THIS CONTRACT SHALL NOT BECOME EFFECTIVE UNTIL APPROVED BY THE CITY. This Contract shall terminate **four (4) years from date of final signature** unless terminated pursuant to paragraph 5 (Termination) and paragraph 6 (Appropriations).

## **5. Termination**

- A. Grounds. The City may terminate this Contract for convenience or cause. For contracts within their authority, the City Manager or their designee is authorized to provide the notice of termination, otherwise such notice of termination shall be provided by the Mayor or their designee as authorized by the Governing Body. The Contractor may only terminate this Contract based upon the City's uncured, material breach of this Contract.
- B. Notice; City Opportunity to Cure.
- 1) The City shall give Contractor written notice of termination at least thirty (30) days prior to the intended date of termination.
  - 2) Contractor shall give City written notice of termination at least thirty (30) days prior to the intended date of termination, which notice shall (i) identify all the City's material breaches of this Contract upon which the termination is based and (ii) state what the City must do to cure such material breaches. Contractor's notice of termination shall only be effective (i) if the City does not cure all material breaches within the thirty (30) day notice period or (ii) in the case of material breaches that cannot be cured within thirty (30) days, the City does not, within the thirty (30) day notice period, notify the Contractor of its intent to cure and begin with due diligence to cure the material breach.
  - 3) Notwithstanding the foregoing, this Contract may be terminated immediately upon written notice to the Contractor (i) if the Contractor becomes unable to perform the services contracted for, as determined by the City; (ii) if, during the term of this Contract, the Contractor is suspended or debarred by the City; or (iii) the Contract is terminated pursuant to Paragraph 6, "Appropriations", of this Contract.
- C. Liability. Except as otherwise expressly allowed or provided under this Contract, the City's sole liability upon termination shall be to pay for acceptable work performed prior to the Contractor's receipt or issuance of a notice of termination; provided, however, that a notice of termination shall not nullify or otherwise affect either party's liability for pre-termination defaults under or breaches of this Contract. The Contractor shall submit an invoice for such work within thirty (30) days of receiving or sending the notice of termination. THIS PROVISION IS NOT EXCLUSIVE AND DOES NOT WAIVE THE CITY'S OTHER LEGAL RIGHTS AND REMEDIES CAUSED BY THE CONTRACTOR'S DEFAULT/BREACH OF THIS CONTRACT.

## **6. Appropriations**

The terms of this Contract are contingent upon sufficient appropriations and authorization being made by the Governing Body for the performance of this Contract. If sufficient appropriations and authorization are not made by the Governing Body, this Contract shall terminate immediately upon written notice being given by the City to the Contractor. The City's decision as to whether sufficient appropriations are available shall be accepted by the Contractor and shall be final. If the City proposes an amendment to the Contract to unilaterally reduce funding, the Contractor shall have the option to terminate the Contract or to agree to the reduced funding, within thirty (30) days of receipt of the proposed amendment.

## **7. Status of Contractor**

The Contractor and its agents and employees are independent contractors performing professional services for the City and are not employees of the City. The Contractor and its agents and employees shall not accrue leave, retirement, insurance, bonding, use of City vehicles, or any other benefits afforded to employees of the City as a result of this Contract. The Contractor acknowledges that all sums received hereunder are reportable by the Contractor for tax purposes, including without limitation, self-employment and business income tax. The Contractor agrees not to purport to bind the City unless the Contractor has express written authority to do so, and then only within the strict limits of that authority.

## **8. Assignment**

The Contractor shall not assign or transfer any interest in this Contract or assign any claims for money due or to become due under this Contract without the prior written approval of the City.

## **9. Subcontracting**

The Contractor shall not subcontract any portion of the services to be performed under this Contract without the prior written approval of the City. No such subcontract shall relieve the primary Contractor from its obligations and liabilities under this Contract, nor shall any subcontract obligate direct payment from the City.

## **10. Release**

Final payment of the amounts due under this Contract shall operate as a release of the City, its officers and employees from all liabilities, claims and obligations whatsoever arising from or under this Contract.

## **11. Confidentiality**

Any confidential information provided to or developed by the Contractor in the performance of this Contract shall be kept confidential and shall not be made available to any individual or organization by the Contractor without the prior written approval of the City.

## **12. Product of Service -- Copyright**

All materials developed or acquired by the Contractor under this Contract shall become the property of the City and shall be delivered to the City no later than the termination date of this Contract. Nothing developed or produced, in whole or in part, by the Contractor under this Contract shall be the subject of an application for copyright or other claim of ownership by or on behalf of the Contractor.

## **13. Conflict of Interest; Governmental Conduct Act**

A. The Contractor represents and warrants that it presently has no interest and, during the term of this Contract, shall not acquire any interest, direct or indirect, which would conflict in any manner or degree with the performance or services required under the Contract.

B. The Contractor further represents and warrants that it has complied with, and, during the term of this Contract, will continue to comply with, and that this Contract complies with all applicable provisions of the Governmental Conduct Act, NMSA 1978, Chapter 10, Article 16.

C. Contractor's representations and warranties in Paragraphs A and B of this Article are material representations of fact upon which the City relied when this Contract was entered into by the parties. Contractor shall provide immediate written notice to the City if, at any time during the term of this Contract, Contractor learns that Contractor's representations and warranties in Paragraphs A and B of this Article were erroneous on the effective date of this Contract or have become erroneous by reason of new or changed circumstances. If it is later determined that Contractor's representations and warranties in Paragraphs A and B of this Article were erroneous on the effective date of this Contract or have become erroneous by reason of new or changed circumstances, in addition to other remedies available to the City and notwithstanding anything in the Contract to the contrary, the City may immediately terminate the Contract.

D. All terms defined in the Governmental Conduct Act have the same meaning in this section.

#### **14. Amendment**

A. This Contract shall not be altered, changed, or amended except by instrument in writing executed by the parties hereto and all other required signatories.

B. If the City proposes an amendment to the Contract to unilaterally reduce funding due to budget or other considerations, the Contractor shall, within thirty (30) days of receipt of the proposed Amendment, have the option to terminate the Contract, pursuant to the termination provisions as set forth in Article 4 herein, or to agree to the reduced funding.

#### **15. Entire Agreement**

This Contract, together with any other documents incorporated herein by reference and all related Exhibits and Schedules constitutes the sole and entire agreement of the Parties with respect to the subject matter of this Contract, and supersedes all prior and contemporaneous understandings, agreements, representations, and warranties, both written and oral, with respect to the subject matter. In the event of any inconsistency between the statements in the body of this Contract, and the related Exhibits and Schedules, the statements in the body of this Contract shall control.

#### **16. Merger**

This Contract incorporates all the covenants and understandings between the parties hereto concerning the subject matter hereof, and all such covenants, agreements, and understandings have been merged into this written contract.

All terms and conditions of the Sole Source #50-M0087-24-CP-401 Best Value Approach Consulting Services and the Contractor's response to such document(s) are incorporated herein by reference and is included in the order of precedence.

No prior Agreement or understanding, oral or otherwise, of the parties or their agents shall be valid or enforceable unless embodied in this Contract.

#### **17. Penalties for violation of law**

NMSA 1978, Sections 13-1-28 through 13-1-199, imposes civil and criminal penalties for its violation. In addition, the New Mexico criminal statutes impose felony penalties for illegal bribes, gratuities, and kickbacks.

#### **18. Equal Opportunity Compliance**

The Contractor agrees to abide by all federal and state laws and rules and regulations, and Santa Fe City Code, pertaining to equal employment opportunity. In accordance with all such laws of the State of New Mexico, the Contractor assures that no person in the United States shall, on the grounds of race, religion, color, national origin, ancestry, sex, age, physical or mental handicap, or serious medical condition, spousal affiliation, sexual orientation or gender identity, be excluded from employment with or participation in, be denied the benefits of, or be otherwise subjected to discrimination under any program or activity performed under this Contract. If Contractor is found not to be in compliance with these requirements during the life of this Contract, Contractor agrees to take appropriate steps to correct these deficiencies.

#### **19. Applicable Law**

The laws of the State of New Mexico shall govern this Contract, without giving effect to its choice of law provisions. Venue shall be proper only in a New Mexico court of competent jurisdiction in accordance with NMSA 1978, Section 38-3-2. By execution of this Contract, Contractor acknowledges and agrees to the

jurisdiction of the courts of the State of New Mexico over any and all lawsuits arising under or out of any term of this Contract.

## **20. Workers Compensation**

The Contractor agrees to comply with state laws and rules applicable to workers compensation benefits for its employees. If the Contractor fails to comply with the Workers Compensation Act and applicable rules when required to do so, this Contract may be terminated by the City.

## **21. Professional Liability Insurance**

Contractor shall maintain professional liability insurance throughout the term of this Contract providing a minimum coverage in the amount required under the New Mexico Tort Claims Act. The Contractor shall furnish the City with proof of insurance of Contractor's compliance with the provisions of this section as a condition prior to performing services under this Contract.

## **22. Other Insurance**

If the services contemplated under this Contract will be performed on or in City facilities or property, Contractor shall maintain in force during the entire term of this Contract, the following insurance coverage(s), naming the City as additional insured.

A. **Commercial General Liability** insurance shall be written on an occurrence basis and be a broad as ISO Form CG 00 01 with limits not less than \$2,000,000 per occurrence and \$2,000,000 in the aggregate for claims against bodily injury, personal and advertising injury, and property damage. Said policy shall include broad form Contractual Liability coverage and be endorsed to name the City of Santa Fe their officials, officers, employees, and agents as additional insureds.

B. **Broader Coverage and Limits.** The insurance requirements under this Contract shall be the greater of (1) the minimum coverage and limits specified in this Contract, or (2) the broader coverage and maximum limits of coverage of any insurance policy or proceeds available to the Named Insured. It is agreed that these insurance requirements shall not in any way act to reduce coverage that is broader or that includes higher limits than the minimums required herein. No representation is made that the minimum insurance requirements of this Contract are sufficient to cover the obligations of Contractor hereunder.

C. Contractor shall maintain the above insurance for the term of this Contract and name the City as an additional insured and provide for 30 days cancellation notice on any Certificate of Insurance form furnished by Contractor. Such certificate shall also specifically state the coverage provided under the policy is primary over any other valid and collectible insurance and provide a waiver of subrogation.

## **23. Records and Financial Audit**

The Contractor shall maintain detailed time and expenditure records that indicate the date; time, nature and cost of services rendered during the Contract's term and effect and retain them for a period of three (3) years from the date of final payment under this Contract. The records shall be subject to inspection by the City. The City shall have the right to audit billings both before and after payment. Payment under this Contract shall not foreclose the right of the City to recover excessive or illegal payments.

## **24. Indemnification**

The Contractor shall defend, indemnify and hold harmless the City from all actions, proceeding, claims, demands, costs, damages, attorneys' fees and all other liabilities and expenses of any kind from any source which may arise out of the performance of this Contract, caused by the negligent act or failure to act of the Contractor, its officers, employees, servants, subcontractors or agents, or if caused by the actions of any client of the Contractor resulting in injury or damage to persons or property during the time when the Contractor or any officer, agent, employee, servant or subcontractor thereof has or is performing services pursuant to this Contract. If any action, suit or proceeding related to the services performed by the Contractor or any officer, agent, employee, servant or subcontractor under this Contract is brought against the Contractor, the Contractor shall, as soon as practicable but no later than two (2) days after it receives notice thereof, notify the legal counsel of the City.

## **25. New Mexico Tort Claims Act**

Any liability incurred by the City of Santa Fe in connection with this Contract is subject to the immunities and limitations of the New Mexico Tort Claims Act, NMSA 1978, Section 41-4-1, et. seq., as amended. The City and its "public employees" as defined in the New Mexico Tort Claims Act, do not waive sovereign immunity, do not waive any defense and do not waive any limitation of liability pursuant to law. No provision in this Contract modifies or waives any provision of the New Mexico Tort Claims Act.

## **26. Invalid Term or Condition**

If any term or condition of this Contract shall be held invalid or unenforceable, the remainder of this Contract shall not be affected and shall be valid and enforceable.

## **27. Enforcement of Contract**

A party's failure to require strict performance of any provision of this Contract shall not waive or diminish that party's right thereafter to demand strict compliance with that or any other provision. No waiver by a party of any of its rights under this Contract shall be effective unless express and in writing, and no effective waiver by a party of any of its rights shall be effective to waive any other rights.

## **28. Notices**

Any notice required to be given to either party by this Contract shall be in writing and shall be delivered in person, by courier service or by U.S. mail, either first class or certified, return receipt requested, postage prepaid, as follows:

To the City:  
Travis Dutton-Leyda  
Chief Procurement Officer  
City of Santa Fe/Finance  
200 Lincoln Avenue  
Santa Fe, NM 87501  
[tkduttonleyda@santafenm.gov](mailto:tkduttonleyda@santafenm.gov)  
505-629-8351

To the Contractor:  
Joseph Kashiwagi  
Kashiwagi Solution Model, Inc  
2251 N/ 32<sup>nd</sup> St Lot 5  
Mesa, Arizona 85213  
[josephkashiwagi@ksm-inc.com](mailto:josephkashiwagi@ksm-inc.com)  
480-313-4488

## **29. Authority**

If Contractor is other than a natural person, the individual(s) signing this Contract on behalf of Contractor represents and warrants that he or she has the power and authority to bind Contractor, and that no further action, resolution, or approval from Contractor is necessary to enter a binding contract.

### **30. Non-Collusion**

In signing this Contract, the Contractor certifies the Contractor has not, either directly or indirectly, entered into action in restraint of free competitive bidding in connection with this offer submitted to the City's Chief Procurement Officer.

### **31. Default/Breach**

In case of Default and/or Breach by the Contractor, for any reason whatsoever, the City may procure the goods or services from another source and hold the Contractor responsible for any resulting excess costs and/or damages, including but not limited to, direct damages, indirect damages, consequential damages, special damages, and the City may also seek all other remedies under the terms of this Contract and under law or equity.

### **32. Equitable Remedies**

The Contractor acknowledges that its failure to comply with any provision of this Contract will cause the City irrevocable harm and that a remedy at law for such a failure would be an inadequate remedy for the City, and the Contractor consents to the City's obtaining from a court of competent jurisdiction, specific performance, or injunction, or any other equitable relief in order to enforce such compliance. The City's rights to obtain equitable relief pursuant to this Contract shall be in addition to, and not in lieu of, any other remedy that the City may have under applicable law, including, but not limited to, monetary damages.

### **33. Default and Force Majeure**

The City reserves the right to cancel all, or any part of any orders placed under this Contract without cost to the City, if the Contractor fails to meet the provisions of this Contract and, except as otherwise provided herein, to hold the Contractor liable for any excess cost occasioned by the City due to the Contractor's default. The Contractor shall not be liable for any excess costs if failure to perform the order arises out of causes beyond the control and without the fault or negligence of the Contractor; such causes include, but are not restricted to, acts of God or the public enemy, acts of the State or Federal Government, fires, floods, epidemics, quarantine restrictions, strikes, freight embargoes, unusually severe weather and defaults of subcontractors due to any of the above, unless the City shall determine that the supplies or services to be furnished by the subcontractor were obtainable from other sources in sufficient time to permit the Contractor to meet the required delivery scheduled. The rights and remedies of the City provided in this Clause shall not be exclusive and are in addition to any other rights now being provided by law or under this Contract.

IN WITNESS WHEREOF, the Parties have executed this Contract as of the date of the signature by the required approval authorities below.

CITY OF SANTA FE:

CONTRACTOR:

**Kashiwagi Solution Model, Inc. (KSM),**

Joseph Kashiwagi

JOSEPH KASHIWAGI, PRESIDENT

DATE: Nov 8, 2024

Randy Randall

Randy Randall (Nov 26, 2024 20:35 CST)

RANDY RANDALL  
INTERIM CITY MANAGER

ATTEST:

Andrea Salazar

Andrea Salazar (Dec 13, 2024 11:25 MST)

CITY CLERK

XIV

CITY ATTORNEY'S OFFICE:

Marcos Martinez

Marcos Martinez (Nov 8, 2024 07:52 MST)

SENIOR ASSISTANT CITY ATTORNEY

APPROVED FOR FINANCES:

Emily K. Oster

EMILY OSTER, FINANCE DIRECTOR



# City of Santa Fe, New Mexico



## SOLE SOURCE REQUEST AND DETERMINATION FORM

This Sole Source request form must be submitted to the Central Purchasing Division for authorization, determination, and processing by the Chief Procurement Officer (CPO).

Complete this form in its entirety!

Date: 9/18/2024

Prepared By: JoAnn Lovato

Email: jdlovato@santafenm.gov

Phone #: 505-469-6045

### Description of Goods/Service to be Procured (short title):

Best Value Approach (BVA) Proprietary Process Implementations and Support

Vendor Name: Kashiwagi Solution Model Inc. (KSM)

Address: 2251 N 32nd St #5

City: Mesa

State: AZ

Zip Code: 85213

Justification (choose from the drop down): Proprietary

Type of good/service (choose from the drop down): Professional Services

\*Estimated Cost: \$150,000 plus tax

Term of Contract: Four (4) year(s) from award

\*Tax is subject to change.

Quantity of the service:

example: 12 MONTHS, 15 LICENSES, ETC.

4 years

Conversion: To Contract

Org / Object:

Various – per utilizing department

Place checkmarks to affirm you agree and have included these documents:

☒ The vendor has affirmed sole source for the services, construction, or items of tangible personal property by providing a letter on company letterhead signed by leadership affirming they are the sole provider of the goods/services outlined in the scope of work, and documentation has been provided that due diligence was conducted to identify other possible vendors/contractors to provide the requested services/goods but proved unsuccessful.

☒ Itemized price quote from sole source vendor fully detailing costs for goods/services in scope of work. (Must state whether they are going to charge tax or not.)

☐ If contract value exceeds CM Approval Amount, include agenda item to present to 2 Committees and Governing Body.



# City of Santa Fe, New Mexico



Place checkmarks to affirm this request aligns with each of the requirements in NMSA 1978, Section 13-1-126:

- ☒ There is only one source for the required service, construction, or item of tangible personal property.
- ☒ The service, construction, or item of tangible personal property is unique and this uniqueness is substantially related to the intended purpose of the contract.
- ☒ Other similar services, construction, or items of tangible personal property cannot meet the intended purpose of the contract.

1. Explain the purpose/need of purchase. Ensure to include a thorough **scope of work** for the services, construction, or item(s) of tangible personal property (if this is an amendment request to an existing contract, attach current contract).  
-Please note that specifications cannot be narrowly drafted to preclude competition solely to allow award to a favored vendor.

Goal: Assist the City with implementing the BVA for upcoming procurement of construction and/or services contracts.

The Contractor shall provide the following services-for the City:

- Phase 1 - Planning
  - Evaluate contracts for the City
  - Identify opportunities to apply BVA framework
- Phase 2 – Implementation
  - Customize BVA procurement frameworks for the identified procurements
  - Assist City procurement team with vendor selection using BVA
- Phase 3 – Contracting
  - Incorporate key performance metrics and risk management plans into contracts with selected vendors
- Phase 4 – Performance Management
  - Help establish vendor performance tracking processes
  - Support City team with performance monitoring and issue resolution
- Phase 5 – Optimization
  - Use insights gained to help City refine and optimize BVA methodology for future procurement

2. Provide a detailed explanation of the criteria developed and specified by the department as necessary to perform and/or fulfill the contract.

The city has developed these criteria to ensure the success of the services provided. The following criteria are as follows for vendors:



# City of Santa Fe, New Mexico



- a. The vendor has at least 20 years of experience with the Best Value Approach in assisting organizations to implement and apply it.
- b. The vendor has experience with at least 10 government entities in the United States, assisting them in using the Best Value Approach.
- c. The vendor has successfully helped government entities implement the Best Value Approach.
- d. The vendor has a license from Arizona State University [Skysong Innovations] for the Best Value Approach.
- e. The vendor has completed at least 100 research articles, including journal papers, books, and publications on the Best Value Approach.
- f. The vendor is authorized to use this proprietary Best Value Approach.
- g. The vendor is authorized to train and certify other professionals in the Best Value Approach.
- h. The vendor has documented performance of Best Value Approach projects.
- i. The vendor has been audited to verify that their published Best Value Approach results are accurate.

**3. Provide an explanation of the prospective vendor's unique qualifications, proprietary rights, or capabilities that make them the only source able to meet the intended purpose of the contract. Uniqueness should be fact-based and substantially related to the contract's purpose. Reasons should focus on factual uniqueness rather than statements such as "best" or "least costly" source.**

- a. KSM is led by Dr. Dean Kashiwagi, who created the Kashiwagi approach.
- b. KSM has a license from Arizona State University (Skysong Innovations) which gives them authorization to use the BVA, train and certify professionals, and assist others in implementing the approach.
- c. KSM has the following experience with the Best Value Approach:
  - i. 22 years of industry research
  - ii. 2000+ projects conducted
  - iii. \$6.4B of total project/award
  - iv. 98% on-budget, on time, owner satisfactions
  - v. 9 countries worked in
  - vi. Successfully implemented BVA with over 20 government entities in the United States
  - vii. 300+ educational presentation/workshops on the approach
  - viii. 360+ research articles published (books, journal papers, and publications)
  - ix. 4 audits conducted on the BVA

**4. Explain why other similar professional services, services, construction, or item(s) of tangible personal property *cannot* meet the intended purpose of the contract.**

No other vendors can meet the intended purpose of the contract due to the fact that the Kashiwagi approach is proprietary.



# City of Santa Fe, New Mexico



## Approvals:

Based on the above facts, the City of Santa Fe Purchasing Officer has made the determination that the justification for a Sole Source procurement is in accordance with NMSA 1978, Section 13-1-126 and shall be posted for a 30-day period prior to award.

\_\_\_\_\_  
Travis Dutton-Leyda, CPO for the City of Santa Fe

Date: 09/18/2024

Department Approval by:

\_\_\_\_\_  
Emily Oster, Department Director

Date: 09/24/2024

**Pursuant to NMSA 1978, Section 13-1-126 Sole Source Procurement, the 30-day posting period of the Notice of Intent to Award this Sole Source request was met and no objections to the award to the above referenced vendor were received. *This Sole Source determination will be valid for the term stated on the first page of this document.***

\_\_\_\_\_  
Travis Dutton-Leyda, CPO for the City of Santa Fe

Date: Oct 30, 2024

# KSM Inc.

City of Santa Fe  
Procurement Department  
200 Lincoln Avenue  
Santa Fe, NM 87501  
505-955-2001

Date: September 18, 2024

Subject: Sole Source Justification for Best Value Approach Consulting Services

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Dear City of Santa Fe,

This letter serves as formal documentation to justify the procurement of Best Value Approach (BVA) Consulting Services from Kashiwagi Solution Model Inc. (KSM) for the procurement department without undergoing a competitive bidding process.

**Background:**

The city requires consulting and support services to manage an estimated 40 additional projects over the next year. With the anticipated increase in departmental projects, the city's procurement team lacks the manpower to meet these demands for setting up solicitations. The city's objective is to efficiently support these departments in issuing solicitations to ensure the timely acquisition of services that will benefit the community.

The Best Value Approach (BVA) is a system the city seeks to implement due to its 20 years of research and proven results in numerous organizations. The system has been employed in over 2,000 projects across 90+ organizations, totaling \$6.6 billion in project value, with a customer satisfaction rate of 98%. It is also the most licensed technology at Arizona State University, with 68 licenses granted worldwide. The BVA results for organizations include:

- An increase in customer satisfaction by 84%, with 98% customer/owner satisfaction.
- A reduction in project costs between 5% to 50%, with vendor cost deviation reduced to less than 1%.
- Zero vendor protests, with a 100% success rate against protesting vendors.
- A tenfold improvement in employee productivity.
- Savings of approximately \$85 million (31%) across 31 projects.
- Value-added options worth \$70 million (25%) for five organizations.
- A reduction in procurement and project management time by up to 50%.
- Increased transparency through documented performance information.
- Audited accuracy of results by four different entities: the State of Hawaii, Twente University (Netherlands), the Western States Contracting Association (WSCA), and the U.S. Army Corps of Engineers Western Legal Office.

# KSM Inc.

## Justification for Sole Source:

1. **Unique Service:** Kashiwagi Solution Model Inc. is the only known provider of Best Value Approach consulting services that meets the specific requirements of the city, including:
  - a. 20 Years of Experience with the Best Value Approach in assisting organizations to implement and apply it into organizations
  - b. Experience with over 20 government entities in the United States in assisting them in using the Best Value Approach.
  - c. Is the only organization that has helped government entities implement the Best Value Approach successfully.
  - d. License from Arizona State University [Skysong Innovations] with the Best Value Approach
  - e. Completed 100 research articles including: journal papers, books, and publications on the Best Value Approach
  - f. Is the only organization that is authorized to use the Best Value Approach.
  - g. Is the only organization that is authorized to train and certify other professionals in the Best Value Approach.
  - h. Is the only organization that has documented performance of the Best Value Approach projects.
  - i. Is the only organization that has been audited four times to verify that their Best Value Approach results being published are accurate.
2. **Compatibility/Continuity:** This procurement is necessary for maintaining compatibility with existing systems, equipment, or services already in use by the city. Over the past six months, KSM has collaborated with the city to develop template documents that have successfully integrated into the city's current processes. These templates have already improved procurement efficiency and reduced the time required for setting up solicitations.
3. **Vendor Expertise:** Kashiwagi Solution Model Inc. has unique expertise or qualifications that are critical to the success of the project, including:
  - a. KSM has a license from Arizona State University (Skysong Innovations) which gives them authorization to use the Best Value Approach, train and certify professionals, and assist others in implementing the approach.
  - b. KSM is compiled of researchers, educators and consultants [4 PhDs] that use the Best Value Approach.
  - c. KSM is led by the creator of the BVA, Dr. Dean Kashiwagi.
  - d. KSM has the following experience with the Best Value Approach:
    - i. 22 years of industry research
    - ii. 2000+ projects conducted
    - iii. \$6.4B of total project/award
    - iv. 98% on-budget, on time, owner satisfactions
    - v. 9 countries worked in
    - vi. 300+ educational presentation/workshops on the approach
    - vii. 360+ research articles published (books, journal papers, and publications)
    - viii. A list of previous clients and short bios can be provided

# KSM Inc.

ix. 3 audits conducted on the BVA

4. **Urgency/Time Constraints:** Given the city's need for these services within the current year, a competitive bidding process would cause delays that would negatively affect the ability of city departments to issue solicitations in a timely manner, potentially delaying essential services for the community.

## Efforts to Identify Other Vendors:

Online searches and inquiries with other cities were conducted to identify qualified vendors. However, no other vendors were found that meet the city's unique requirements for these specialized services.

## Description of Services:

The Goal is to assist the City with implementing the Best Value Approach (BVA) for upcoming procurement of construction and/or services contracts. KSM will provide the following services to the City of Santa Fe (COSF) for an estimated 40 projects:

- Phase 1 - Planning
  - Evaluate contracts for the City
  - Identify opportunities to apply BVA framework
- Phase 2 – Implementation
  - Customize BVA procurement frameworks for the identified contracts
  - Assist City procurement team with vendor selection using BVA
- Phase 3 – Contracting
  - Incorporate key performance metrics and risk management plans into contracts with selected vendors
- Phase 4 – Performance Management
  - Help establish vendor performance tracking processes
  - Support City team with performance monitoring and issue resolution
- Phase 5 – Optimization
  - Use insights gained to help City refine and optimize BVA methodology for future procurement

## Quote:

The cost of providing the services described above is outlined below. The estimated contract duration is four years, with a total cost not to exceed \$150,000, covering approximately 40 projects (\$3,750 per project). Tax will not be charged. KSM will track hourly costs and invoice the city monthly. Travel and related expenses will be included in the cost, and all expenses will be fully documented and submitted to the city for review. Additional services can be added to the contract as needed.

The following fee rate for KSM [hourly rate]:

- Director (Dr. Dean Kashiwagi) - \$250/hr (\$2K Daily Rate)
- Program Manager (Dr. Jacob Kashiwagi) - \$150/hr (\$1.2K Daily Rate)
- Project Manager (Dr. Joseph Kashiwagi) - \$150/hr (\$1.2K Daily Rate)
- Data Analyst (Dr. Isaac Kashiwagi) - \$150 (\$1.2K Daily Rate)

# KSM Inc.

**Conclusion:**

Based on the above factors, we request that Kashiwagi Solution Model Inc. be approved as a sole source provider for Best Value Approach Consulting Services under the city's procurement policies.

Please feel free to contact me with any questions or for further clarification.

Sincerely,  
Dr. Joseph Kashiwagi  
President  
Kashiwagi Solution Model Inc.  
480-313-4488  
Josephkashiwagi@ksm-inc.com

X *Joseph Kashiwagi*  
\_\_\_\_\_  
Joseph Kashiwagi  
President

**MIERA, KRISTY A.**

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**From:** GSD.SPDInfo@state.nm.us  
**Sent:** Saturday, October 26, 2024 12:01 AM  
**To:** MIERA, KRISTY A.  
**Subject:** Sole Source #50-M0087-24-CP401 - 30 Days

**CAUTION:** This email originated from outside of the organization. Do not click links or open attachments unless you recognize the sender and know the content is safe.

Your Sole Source #**50-M0087-24-CP401** notice of intent to award has been posted for 30 days **without protest**.

The status has been changed from "Pending" to "No Protest."

Passing the 30-day posting period does **not** mean your contractor can begin work. It **only** means the procurement method has been approved.

-----  
GSD/SPD State Purchasing Division

[GSD.SPDInfo@state.nm.us](mailto:GSD.SPDInfo@state.nm.us)

\$ASSIGNEDNAME\$

\$ASSIGNEDEMAIL\$






# KSM - Sole Source

Final Audit Report

2024-10-30

Created:	2024-10-30
By:	Kristy Miera (kamiera@santafenm.gov)
Status:	Signed
Transaction ID:	CBJCHBCAABAApNJUDdAb2eyA-KzUDsVGsgvj2e2xZHZe

## "KSM - Sole Source" History

-  Document created by Kristy Miera (kamiera@santafenm.gov)  
2024-10-30 - 5:47:58 PM GMT- IP address: 63.232.20.2
-  Document emailed to Travis Dutton-Leyda (tkduttonleyda@santafenm.gov) for signature  
2024-10-30 - 5:51:42 PM GMT
-  Email viewed by Travis Dutton-Leyda (tkduttonleyda@santafenm.gov)  
2024-10-30 - 5:51:51 PM GMT- IP address: 174.218.17.123
-  Document e-signed by Travis Dutton-Leyda (tkduttonleyda@santafenm.gov)  
Signature Date: 2024-10-30 - 5:52:20 PM GMT - Time Source: server- IP address: 174.218.17.123
-  Agreement completed.  
2024-10-30 - 5:52:20 PM GMT



## Services Offered to the City of Santa Fe (2024)

### Approved:

These services have been approved by the New Mexico Council for Purchasing from Persons with Disabilities and are available through Horizons of New Mexico.

- ADA Accessibility Consulting Services
- Auctioneering Services
- Bulk Mailing and Sorting
- Call Center Services
- Computer Refurbishing
- Courier Services
- Decontamination, Sanitation and Sterilization Services
- Debris Removal
- Document Imaging
- Document Shredding
- Envelope Stuffing
- General Labor
- Hard Drive Destruction
- Janitorial and Housekeeping Services – Including Carpet Cleaning & Floor Care
- Landscape Irrigation
- Landscaping
- Mailing Services
- Management of an Assistive Technology Reuse and Recycling Program
- Medical Waste Disposal
- Meeting Minute Preparation Services
- Pest Control and Extermination Services
- Printing Services
- Rest Area Maintenance
- Screen Printing
- Snow Removal
- Temporary Staffing Services
- Yard, Grounds, and Lawn Maintenance

### Permissive:

The services have been approved by the New Mexico Council for Purchasing from Persons with Disabilities as permissible for sale under the State Use Act through Horizons of New Mexico. While the Council recognizes that certain Horizons of New Mexico members are capable of performing the services listed below, said services are considered permissive and excluded from the mandatory aspect of the State Use Program. Any procurement of the below services through Horizons of New Mexico is at the discretion of the purchasing agent and will be considered by the Council on a case-by-case basis.

- Graphic Design
- Graphic Design - Logo Design
- IT – Enterprise Application
- IT – IV & V
- IT Network and Database Management
- IT Support
- IT Security Services
- IT – Web Design
- IT – Web Programmer
- Marketing
- Social Media Marketing
- Training Services

For the complete State Use service list, please go to: <http://horizonsofnewmexico.org/services.html>

**From:** [DUTTON-LEYDA, TRAVIS K.](#)  
**To:** [GABALDON, RACHEL D.](#)  
**Cc:** [Purchasing DET](#)  
**Subject:** RE: SOW Determination- Best Value Approach  
**Date:** Wednesday, October 30, 2024 2:37:23 PM  
**Attachments:** [image003.png](#)

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Greetings,

The scope of work as written would be Professional Services. This determination relates only to that question and is no comment on whether the scope of work or procurement method meet all legal standards. I reserve the right to change this determination if the scope of work differs from the scope of work submitted for the original determination. This procurement must be conducted using the processes and procedures set forth by the City of Santa Fe, Central Purchasing, the Procurement Manual, and state statutes.

Please note:

- Save this email as a PDF and upload it into the corresponding Munis records.
- Check with WorkQuest dba Horizons of New Mexico ([mloehman@horizonsofnewmexico.org](mailto:mloehman@horizonsofnewmexico.org)) if this service appears on their approved list.
- If your request includes anything that needs to be reviewed and preapproved by another City Department/Division, please send the same SOW to the corresponding email address and include their response in your packet/Munis.
  - IT components (anything IT) - [creview@santafenm.gov](mailto:creview@santafenm.gov)
  - Vehicles – [dmjaramillo@santafenm.gov](mailto:dmjaramillo@santafenm.gov)
  - Grants - [mtbonifer@santafenm.gov](mailto:mtbonifer@santafenm.gov); [cmthompson@santafenm.gov](mailto:cmthompson@santafenm.gov); [evlujan@santafenm.gov](mailto:evlujan@santafenm.gov)
  - Construction, Facilities, Furniture, Fixtures, Equipment, etc. - [jsburnett@santafenm.gov](mailto:jsburnett@santafenm.gov)
  - Emergency Related Purchases - [bgwilliams@santafenm.gov](mailto:bgwilliams@santafenm.gov)
  - Asset over \$5k - [lmstorey@santafenm.gov](mailto:lmstorey@santafenm.gov)
- Ensure that the appropriate templates and forms are used [https://intranet.santafenm.gov/finance\\_1](https://intranet.santafenm.gov/finance_1) and documented [procedures/laws/rules](#) are followed. \_
- > \$20k per year, when processing this procurement, please ensure the procurement number issued by Munis and the procurement name are used in the appropriate documents and the subject of emails.
- If you are processing a procurement where the forecasted amount is => \$60k, per NMSA 1978, Section 13-1-102, if you aren't using a cooperative or existing contract, you must process an RFP.
- < \$20k per year, one quote is acceptable.
- From \$20k to \$60k per year, if you aren't using a cooperative or existing contract, you'll need to provide 3 quotes in your req. Must use the Munis Bid Module after 12/21/2023.

- Figure out your funding source and **inform Purchasing**. To ensure that the proper documents and language are used, it is important to identify the funding source for the subsequent contract. For instance, if federal funds are involved, the procurement request and subsequent contract must include the necessary federal language. Therefore, it is crucial to determine the funding source beforehand.
- Review the pages linked below to determine whether any of the existing price agreements/contracts or cooperative agreements are applicable to this request. You might be able to use an existing price agreement/contract to save time and money.
  - <https://www.generalservices.state.nm.us/state-purchasing/statewide-price-agreements/> (if you choose to use a Statewide, you do not need to ask Horizons if they can do the work. State Purchasing must offer the SOW to Horizons prior to placing the award on their website.)
  - <https://naspo.valuepoint.org/categories/>
  - <https://www.omniapartners.com/publicsector/contracts>
  - <https://www.buyboard.com/home.aspx>
  - <https://www.h-gac.com/Home>
  - <https://www.gsaelibrary.gsa.gov/>
  - <https://www.sourcewell-mn.gov/contract-search>
- Submit or send your request to the appropriate MS Teams channel or email address:
  - RFPs requests to <https://teams.microsoft.com/l/channel/19%3ad63b9c8b586d424fa5eed34177146ac5%40thread.tacv2/RFP%2520Requests?groupId=a367d8c2-992f-4c74-8e7d-0ccb6950c9a1&tenantId=77b69f5a-55ed-4363-8616-4867b0bc707f>
  - ITBs requests to <https://teams.microsoft.com/l/channel/19%3a48e1e4588c0440a09cfbd9b907ed42d4%40thread.tacv2/ITB%2520Requests?groupId=a367d8c2-992f-4c74-8e7d-0ccb6950c9a1&tenantId=77b69f5a-55ed-4363-8616-4867b0bc707f>
  - Determination requests to [purchasing\\_det@santafenm.gov](mailto:purchasing_det@santafenm.gov)
  - And all other requests to [purchasing@santafenm.gov](mailto:purchasing@santafenm.gov)

Thank you for submitting this scope of work for my review.

Regards,

Travis Dutton-Leyda  
 Chief Procurement Officer  
 City of Santa Fe  
 200 Lincoln Avenue  
 Santa Fe, NM 87501  
 505-629-8351  
[tkduttonleyda@santafenm.gov](mailto:tkduttonleyda@santafenm.gov)

<https://santafenm.gov/finance-2/purchasing-1>

Internal Link: [https://intranet.santafenm.gov/finance\\_1](https://intranet.santafenm.gov/finance_1)



More Procurement, less drama ~ John Blair

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**From:** GABALDON, RACHEL D. <rdgabaldon@santafenm.gov>

**Sent:** Wednesday, October 30, 2024 2:27 PM

**To:** Purchasing DET <purchasing\_det@santafenm.gov>

**Subject:** SOW Determination- Best Value Approach

Good afternoon Travis,

Purchasing is requesting a determination on the following scope of work:

Assistance to the Purchasing team with implementing the Best Value Approach (BVA) for upcoming procurement of construction and/or services contracts.

The Contractor shall provide the following services-for the City:

- Phase 1 - Planning
  - o Evaluate contracts for the City
  - o Identify opportunities to apply BVA framework
- Phase 2 – Implementation
  - o Customize BVA procurement frameworks for the identified procurements
  - o Assist City procurement team with vendor selection using BVA
- Phase 3 – Contracting
  - o Incorporate key performance metrics and risk management plans into contracts with selected vendors
- Phase 4 – Performance Management
  - o Help establish vendor performance tracking processes
  - o Support City team with performance monitoring and issue resolution
- Phase 5 – Optimization
  - o Use insights gained to help City refine and optimize BVA methodology for future procurement

All the best,

**Denise Gabaldon**

Contracts Supervisor

Purchasing

Office: 505.231.5003



**CITY OF SANTA FE**



THE HARTFORD  
BUSINESS SERVICE CENTER  
3600 WISEMAN BLVD  
SAN ANTONIO TX 78251

November 8, 2024

City of Santa Fe  
200 LINCOLN AVE  
SANTA FE NM 87501

## Account Information:

<b>Policy Holder Details :</b>	<b>KASHIWAGI SOLUTION MODEL INC</b>
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## Contact Us

### Need Help?

Chat online or call us at  
(866) 467-8730.

We're here Monday - Friday.

Enclosed please find a Certificate Of Insurance for the above referenced Policyholder. Please contact us if you have any questions or concerns.

Sincerely,  
Your Hartford Service Team



# CERTIFICATE OF LIABILITY INSURANCE

DATE (MM/DD/YYYY)  
11/08/2024

THIS CERTIFICATE IS ISSUED AS A MATTER OF INFORMATION ONLY AND CONFERS NO RIGHTS UPON THE CERTIFICATE HOLDER. THIS CERTIFICATE DOES NOT AFFIRMATIVELY OR NEGATIVELY AMEND, EXTEND OR ALTER THE COVERAGE AFFORDED BY THE POLICIES BELOW. THIS CERTIFICATE OF INSURANCE DOES NOT CONSTITUTE A CONTRACT BETWEEN THE ISSUING INSURER(S), AUTHORIZED REPRESENTATIVE OR PRODUCER, AND THE CERTIFICATE HOLDER.

**IMPORTANT:** If the certificate holder is an ADDITIONAL INSURED, the policy(ies) must be endorsed. If SUBROGATION IS WAIVED, subject to the terms and conditions of the policy, certain policies may require an endorsement. A statement on this certificate does not confer rights to the certificate holder in lieu of such endorsement(s).

<b>PRODUCER</b> USAA INSURANCE AGENCY INC/PHS 65812846 The Hartford Business Service Center 3600 Wiseman Blvd San Antonio, TX 78251	<b>CONTACT NAME:</b>	
	<b>PHONE (A/C, No, Ext):</b> (888) 242-1430	<b>FAX (A/C, No):</b>
	<b>E-MAIL ADDRESS:</b>	
	<b>INSURER(S) AFFORDING COVERAGE</b> <b>NAIC#</b>	
<b>INSURED</b> KASHIWAGI SOLUTION MODEL INC 2251 N 32ND ST LOT 5 MESA AZ 85213-2426	<b>INSURER A :</b> Hartford Casualty Insurance Company	29424
	<b>INSURER B :</b>	
	<b>INSURER C :</b>	
	<b>INSURER D :</b>	
	<b>INSURER E :</b>	
	<b>INSURER F :</b>	

**COVERAGES****CERTIFICATE NUMBER:****REVISION NUMBER:**

THIS IS TO CERTIFY THAT THE POLICIES OF INSURANCE LISTED BELOW HAVE BEEN ISSUED TO THE INSURED NAMED ABOVE FOR THE POLICY PERIOD INDICATED. NOTWITHSTANDING ANY REQUIREMENT, TERM OR CONDITION OF ANY CONTRACT OR OTHER DOCUMENT WITH RESPECT TO WHICH THIS CERTIFICATE MAY BE ISSUED OR MAY PERTAIN, THE INSURANCE AFFORDED BY THE POLICIES DESCRIBED HEREIN IS SUBJECT TO ALL THE TERMS, EXCLUSIONS AND CONDITIONS OF SUCH POLICIES. LIMITS SHOWN MAY HAVE BEEN REDUCED BY PAID CLAIMS.

INSR LTR	TYPE OF INSURANCE	ADDL INSR	SUBR WVD	POLICY NUMBER	POLICY EFF (MM/DD/YYYY)	POLICY EXP (MM/DD/Y YY)	LIMITS	
A	COMMERCIAL GENERAL LIABILITY	X		65 SBA EV5500	07/22/2024	07/22/2025	EACH OCCURRENCE	\$2,000,000
	<input type="checkbox"/> CLAIMS-MADE <input checked="" type="checkbox"/> OCCUR						DAMAGE TO RENTED PREMISES (Ea occurrence)	\$300,000
	<input checked="" type="checkbox"/> General Liability						MED EXP (Any one person)	\$10,000
	GEN'L AGGREGATE LIMIT APPLIES PER:						PERSONAL & ADV INJURY	\$2,000,000
	<input type="checkbox"/> POLICY <input type="checkbox"/> PRO-JECT <input checked="" type="checkbox"/> LOC						GENERAL AGGREGATE	\$4,000,000
	OTHER:						PRODUCTS - COMP/OP AGG	\$4,000,000
A	AUTOMOBILE LIABILITY			65 SBA EV5500	07/22/2024	07/22/2025	COMBINED SINGLE LIMIT (Ea accident)	\$2,000,000
	<input type="checkbox"/> ANY AUTO						BODILY INJURY (Per person)	
	<input type="checkbox"/> ALL OWNED AUTOS <input type="checkbox"/> SCHEDULED AUTOS						BODILY INJURY (Per accident)	
	<input checked="" type="checkbox"/> HIRED AUTOS <input checked="" type="checkbox"/> NON-OWNED AUTOS						PROPERTY DAMAGE (Per accident)	
	<input type="checkbox"/>							
	UMBRELLA LIAB EXCESS LIAB						EACH OCCURRENCE	
	<input type="checkbox"/> OCCUR <input type="checkbox"/> CLAIMS-MADE						AGGREGATE	
	DED RETENTION \$							
A	WORKERS COMPENSATION AND EMPLOYERS' LIABILITY	Y/N	N/A				PER STATUTE	OTH-ER
	ANY PROPRIETOR/PARTNER/EXECUTIVE OFFICER/MEMBER EXCLUDED? (Mandatory in NH)						E.L. EACH ACCIDENT	
	If yes, describe under DESCRIPTION OF OPERATIONS below						E.L. DISEASE -EA EMPLOYEE	
							E.L. DISEASE - POLICY LIMIT	
A	EMPLOYMENT PRACTICES LIABILITY			65 SBA EV5500	07/22/2024	07/22/2025	Each Claim Limit	\$5,000
	Aggregate Limit						\$5,000	

DESCRIPTION OF OPERATIONS / LOCATIONS / VEHICLES (ACORD 101, Additional Remarks Schedule, may be attached if more space is required)

Those usual to the Insured's Operations. Certificate holder is an additional insured per the Business Liability Coverage Form SS0008 attached to this policy.

**CERTIFICATE HOLDER**

City of Santa Fe  
200 LINCOLN AVE  
SANTA FE NM 87501

**CANCELLATION**

SHOULD ANY OF THE ABOVE DESCRIBED POLICIES BE CANCELLED BEFORE THE EXPIRATION DATE THEREOF, NOTICE WILL BE DELIVERED IN ACCORDANCE WITH THE POLICY PROVISIONS.

AUTHORIZED REPRESENTATIVE

*Susan L. Castaneda*

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THE HARTFORD  
BUSINESS SERVICE CENTER  
3600 WISEMAN BLVD  
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<b>PRODUCER</b> USAA INSURANCE AGENCY INC/PHS 65812845 The Hartford Business Service Center 3600 Wiseman Blvd San Antonio, TX 78251	<b>CONTACT NAME:</b>	
	<b>PHONE (A/C, No, Ext):</b> (888) 242-1430	<b>FAX (A/C, No):</b>
	<b>E-MAIL ADDRESS:</b>	
	<b>INSURER(S) AFFORDING COVERAGE</b> <b>NAIC#</b>	
<b>INSURED</b> KASHIWAGI SOLUTION MODEL INC 2251 N 32ND ST LOT 5 MESA AZ 85213-2426	<b>INSURER A :</b> Hartford Underwriters Insurance Company 30104	
	<b>INSURER B :</b>	
	<b>INSURER C :</b>	
	<b>INSURER D :</b>	
	<b>INSURER E :</b>	
	<b>INSURER F :</b>	

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INSR LTR	TYPE OF INSURANCE	ADDL INSR	SUBR WVD	POLICY NUMBER	POLICY EFF (MM/DD/YYYY)	POLICY EXP (MM/DD/Y YY)	LIMITS	
	COMMERCIAL GENERAL LIABILITY <input type="checkbox"/> CLAIMS-MADE <input type="checkbox"/> OCCUR  GEN'L AGGREGATE LIMIT APPLIES PER: <input type="checkbox"/> POLICY <input type="checkbox"/> PRO-JECT <input type="checkbox"/> LOC OTHER:						EACH OCCURRENCE	
							DAMAGE TO RENTED PREMISES (Ea occurrence)	
							MED EXP (Any one person)	
							PERSONAL & ADV INJURY	
							GENERAL AGGREGATE	
							PRODUCTS - COMP/OP AGG	
	<b>AUTOMOBILE LIABILITY</b> <input type="checkbox"/> ANY AUTO <input type="checkbox"/> ALL OWNED AUTOS <input type="checkbox"/> HIRED AUTOS <input type="checkbox"/> SCHEDULED AUTOS <input type="checkbox"/> NON-OWNED AUTOS						COMBINED SINGLE LIMIT (Ea accident)	
							BODILY INJURY (Per person)	
							BODILY INJURY (Per accident)	
							PROPERTY DAMAGE (Per accident)	
	<b>UMBRELLA LIAB EXCESS LIAB</b> <input type="checkbox"/> OCCUR <input type="checkbox"/> CLAIMS-MADE DED RETENTION \$						EACH OCCURRENCE	
							AGGREGATE	
A	<b>WORKERS COMPENSATION AND EMPLOYERS' LIABILITY</b> ANY PROPRIETOR/PARTNER/EXECUTIVE OFFICER/MEMBER EXCLUDED? (Mandatory in NH) If yes, describe under DESCRIPTION OF OPERATIONS below Y/N <input type="checkbox"/> N/A			65 WEC AB3EX6	03/06/2024	03/06/2025	X PER STATUTE <input type="checkbox"/> OTH-ER	
							E.L. EACH ACCIDENT	\$100,000
							E.L. DISEASE -EA EMPLOYEE	\$100,000
							E.L. DISEASE - POLICY LIMIT	\$500,000

DESCRIPTION OF OPERATIONS / LOCATIONS / VEHICLES (ACORD 101, Additional Remarks Schedule, may be attached if more space is required)

Those usual to the Insured's Operations.

**CERTIFICATE HOLDER**City of Santa Fe  
200 LINCOLN AVE  
SANTA FE NM 87501**CANCELLATION**

SHOULD ANY OF THE ABOVE DESCRIBED POLICIES BE CANCELLED BEFORE THE EXPIRATION DATE THEREOF, NOTICE WILL BE DELIVERED IN ACCORDANCE WITH THE POLICY PROVISIONS.

AUTHORIZED REPRESENTATIVE

*Susan L. Castaneda*

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**Business Licensing and Registration  
Exception Declaration**

The Santa Fe City Code, secs. 18-1 and 18-2, requires persons who do business in the City to license or register their business with the City. However, if a person does not engage in business in New Mexico, that person does not need a City business license for the current calendar year.

Under New Mexico state law, "engaging in business" means carrying on or causing to be carried on any activity with the purpose of direct or indirect benefit.

For a person who lacks physical presence in this state, including a marketplace provider<sup>1</sup>, "engaging in business" means having, in the previous calendar year, total taxable gross receipts from sales, leases, and licenses of tangible personal property, sales of licenses, sales of services, and licenses for use of real property sourced to this state pursuant to NMSA 1978, § 7-1-14, of at least one hundred thousand dollars (\$100,000). NMSA 1978, § 7-9-3.3 (2019).

I, Joseph Kashiwagi, as owner or agent of Kashiwagi Solution Model inc.  
(print name) (business name)

declare that in the previous calendar year, this business had less than one hundred thousand dollars (\$100,000) from sales, leases, and licenses of tangible personal property, sales of licenses and sales of services and licenses for use of real property sourced to this state.

By signing this form, I also understand that the City of Santa Fe assumes no tax liability for this business and that the City is under no duty to inform it about actual or potential tax liability.

Joseph Kashiwagi 2/27/24  
(Signature) (Date)

<sup>1</sup> "marketplace provider" means a person who facilitates the sale, lease or license of tangible personal property or services or licenses for use of real property on a marketplace seller's behalf, or on the marketplace provider's own behalf, by:

- (1) listing or advertising the sale, lease or license, by any means, whether physical or electronic, including by catalog, internet website or television or radio broadcast; and
- (2) either directly or indirectly, through agreements or arrangements with third parties collecting payment from the customer and transmitting that payment to the seller, regardless of whether the marketplace provider receives compensation or other consideration in exchange for the marketplace provider's services; NMSA 1978, § 7-9-3(J).







# 24-0698 Kashiwagi Solution Model, Inc.

Final Audit Report

2024-12-13

Created:	2024-12-13
By:	XAVIER VIGIL (xivigil@santafenm.gov)
Status:	Signed
Transaction ID:	CBJCHBCAABAAjBOKcXhwcxuEhVkFPCqDm7OuUXTuMow1

## "24-0698 Kashiwagi Solution Model, Inc." History

-  Document created by XAVIER VIGIL (xivigil@santafenm.gov)  
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-  Document e-signed by Andrea Salazar (axsalazar@santafenm.gov)  
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