

BILL/ RESOLUTION REQUEST

1. Title: Amends the agreement with SMG for stagehand staffing and payroll services to amend the payroll tax rates to correspond to changes made in governing laws and regulations related to FICA requirements (CE93004).

2. Requesting Agency: Arts & Venues Denver

3. Contact Person *with actual knowledge of proposed ordinance*

Name: Frank Delmonte

Phone: 720-865-4233

Email: frank.delmonte@denvergov.org

4. Contact Person *with actual knowledge of proposed ordinance who will present the item at Mayor Council and who will be available for first and second reading, if necessary*

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Phone: 720-865-4233

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5. Describe the proposed ordinance, including what the proposed ordinance is intended to accomplish, who's involved

a. Scope of Work

The SMG Stagehand payroll contract (CE93004) is a professional services contract to provide payroll and HR services for IATSE Local #7 stagehands in all Denver Arts & Venues facilities. The stagehand payroll services provider negotiates with the stagehand union and administers all payroll and HR Services for these employees. The contract was competitively bid in 2008 and awarded to SMG, the manager of the Colorado Convention Center (CCC). This stagehand payroll contract runs concurrently with the management agreement at the CCC (concluding on 12/31/14). Depending on the amount of activity in the venues, the contract provider incurs \$3.5M-\$4.5M in stagehand payroll expenditures per year, which are reimbursed by the agency. Denver Arts & Venues in turn invoices customers who use the stagehands for events in the venues and is reimbursed by those customers. This is largely a pass through expenditure for the agency.

This ordinance request is to amend the payroll tax rates (see 2013 rates below) set forth in Exhibit B (SMG Stagehand Payroll Administrative Markup) to this agreement to correspond to changes made in governing laws and regulations related to FICA requirements.

2013 rates:

SUI (SUTA) = 5.32%

FUTA = 0.68%

b. Duration

January 1, 2009 to December 31, 2014

c. Location

AVD facilities

d. Affected Council District

Citywide

e. Benefits

n/a

f. Costs

n/a

6. Is there any controversy surrounding this ordinance, groups or individuals who may have concerns about it? Please explain.

No.

Bill Request Number: BR13-0207

Date: 3/26/2013