

EXECUTIVE SUMMARY

Background:

In January 2009, Denver Arts & Venues (DAV) commenced a multi-year agreement, CE93004, with SMG to provide scheduling, management and payroll processing services for on-call stagehands at the Colorado Convention Center (CCC), the Denver Performing Arts Complex, the Denver Coliseum and Red Rocks Amphitheatre. The original term was for three (3) years and included three additional three-year options to extend the agreement through 2020. In September of 2018 the agreement was further amended to add four additional years to the term such that it expires on December 31, 2023.

Current Request:

A&V is seeking City Council approval of a resolution that will allow an addition of up to \$23,000,000 to be spent under this agreement. This is due to multiple reasons including:

- The need to ensure adequate contract tolerance exists to complete the term of the current agreement.
- The collective bargaining agreement with the International Alliance of Theatrical Stage Employees (IATSE) and SMG requires regular renegotiation of rates.
- Annual stagehand expenses regularly reach \$7M - \$8M. Weekly expenses reach as high as \$250,000.
- Current business trends show up to an additional ten weeks of usage at Red Rocks Amphitheatre for concerts resulting in additional expenses.
- The majority of stagehand expenses are billed back to event promoters/producers resulting in a minimal outflow of resources.
- DAV has recently been given operational oversight of the May Bonfils Stanton Theater at Loretto Heights which may result in additional expenses prior to the end of the contract term.
- DAV is currently in the process of preparing a solicitation for Stagehand Services to begin upon expiration of the current agreement.