

## **BILL/ RESOLUTION REQUEST**

**1. Title:** Approves a first amendment to the existing agreement, CE93004, with SMG, to extend for three (3) years the stagehand staffing and payroll services for a maximum amount of \$25,000,000.

**2. Requesting Agency:** Arts & Venues DENVER

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

**Name:**Colin Lewis

**Phone:**720-865-4233

**Email:**colin.lewis@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***

**Name:**Colin Lewis

**Phone:**720-865-4233

**Email:**colin.lewis@denvergov.org

**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 Arts & Venues Denver 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. 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. AVD in turn invoices customers who use the stagehands for events in the venues and is reimbursed by those customers. This ordinance request is an additional three year extension of the current agreement, which terminates on 12/31/2011. This is largely a pass through expenditure for the agency.

Per the provisions of the contract, the contract to manage the CCC was extended on 9/30/2011 for an additional three year term (concluding on 12/31/2014). SMG has indicated it will continue to provide stagehand payroll services for the agency (a renewal provision in the current contract) and this ordinance request simply adds expenditure cap to the current services contract (CE93004). As such, we request this approval on consent at the Business Workforce and Sustainability Committee.



- Amendment to Section 4 of Agreement, entitled “TERM” to read: January 1, 2009 (the effective date) and expire on December 31, 2014.
- Amendment to Section 6, Subsection 6.C. entitled “PAYMENT” to read “...in no event shall the City be liable under the terms of this Agreement for any amount in excess of the sum of Twenty Five Million Dollars (\$25,000.000.00).

**b. Duration**

January 1, 2009 to December 31, 2014

**c. Location**

Various Arts & Venues Denver facilities

**d. Affected Council District**

8

**e. Benefits**

pass through expenditure for the agency

**f. Costs**

No cost

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

No

**Bill Request Number: BR11-0878**

**Date: 11/21/2011**