

# EXECUTIVE SUMMARY

## Background:

In 2008 the City contracted with SMG to provide *stagehand staffing and payroll services* at Denver Arts & Venues (DAV) facilities, including but not limited to: the Colorado Convention Center, Red Rocks Amphitheatre and the Denver Performing Arts Complex. SMG was awarded a three-year service contract, CE93004, from 1/1/2009 – 12/31/2011 with an option for three, three-year extensions through 12/31/2020 to be exercised by the Director of Arts & Venues at his discretion and written notification. The contract was subsequently amended in 2018 to extend the term through 12/31/2023.

Pursuant to the contract, the Contractor supplies, well-trained administrative personnel, management expertise and all necessary equipment necessary for providing high quality, first-class Stagehand staffing and payroll administration services for all Stagehands working in current or future facilities operated by the Division of Theatres and Arenas of the City & County of Denver.

Both DAV and Contractor experienced significant disruption to anticipated activity levels in 2020 due to the COVID-19 pandemic and various state and local public health restrictions on mass gatherings. These effects are expected to continue in 2021 due to factors generally outside of either DAV's or SMG's control.

## Current Request:

DAV is seeking City Council approval of an ordinance that will amend contract CE93004 with SMG to: address the aforementioned business interruptions, particularly cost control, until the resumption of normal activities is possible at the CCC; add an obligation to the contract to hereinafter pay the City Minimum Wage (D.R.M.C. 20-82 through 20-84) to workers; and clarify force majeure language related to Covid-19 impacts.

In particular:

- For all of 2020 and continuing into 2021, DAV has been unable to operate in a normal business manner.
- It is uncertain on what date activity levels at = DAV facilities will be able to resume.
- The ability to resume normal activities rests on factors generally outside of the City's or Contractor's control.
- This amendment does **not** extend the current end date of the contract.
- The amendment adds and defines the term "Health and Safety Restrictions Period." This period began on March 13, 2020, and will continue until formal notification issued by the Director of Arts & Venues or her designee.

- The amendment prioritizes cost transparency by identifying and controlling costs prior to resumption of normal activity levels (i.e. during the Health and Safety Restrictions Period). The Contractor is required during this period to provide estimates of costs and must receive written approval (excluding emergency services) prior to making any purchases or deviating from cost estimates.
- The amendment adds a requirement that contractor pay the contract minimum wage to workers pursuant to D.R.M.C. 20-82 through 20-84.