



REPORT TO COUNCIL

City of Sacramento

915 I Street, Sacramento, CA 95814-2604
www. CityofSacramento.org

Consent
December 12, 2006

Honorable Mayor and
Members of the City Council

Title: Agreement with Sacramento Theatrical Lighting, Ltd. (STL) for Theatrical Stagecraft Labor and Equipment for the Sacramento Convention Center Complex

Location/Council District: Districts 1 and 3

Recommendation: (2/3 vote required) Adopt a **Resolution:** 1) suspending competitive bidding in the best interests of the City, 2) awarding the non-professional services agreement for technical stagecraft labor and equipment for the Sacramento Convention Center Complex, including Memorial Auditorium and the Community Center Theater, to Sacramento Theatrical Lighting, Ltd. (STL) for an annual amount not to exceed \$150,000. The agreement provides for an initial term of three years, with the option to extend for up to two additional one-year terms for a total contract term of five years (including the initial term and all extensions).

Contact: Tina McCarty, Administrative Officer, Convention Center 808-8220

Presenters: Not Applicable

Department: Convention, Culture, and Leisure

Division: Convention Center

Organization No: 4321

Description/Analysis

Issue: The City requires the expertise of technical stagehands to augment City stagehand labor on an as needed basis for the preparation and production of some events at the Convention Center Complex. STL has provided these services through an agreement which lasted from February 2002 through March 2006. Pursuant to the agreement, STL has provided these services on a month-to-month basis since March 2006. The Convention Center is seeking to enter into a new agreement with STL for continued stagehand services. The initial term is three years (January 2007 – December 2009), with an option for successive one-year extensions, not to exceed a total agreement term of five

years (December 2011).

Policy Considerations: It is in the City's best interest to suspend competitive bidding and award the agreement to STL for the following reasons:

- Due to the technical knowledge needed to provide service in the stagehand discipline, companies obtain additional personnel from the same local labor pool (Local 50). While the stagehand discipline is not a profession in the traditional, narrow sense, technical stagecraft labor is a unique, craft skill. Stagehand work involves tasks that must be done correctly to ensure the safety of the public, such as hanging overhead equipment. STL has a Collective Bargaining Agreement with the Stage Employees IATSE Local 50 and Moving Picture Machine Operators of the United States and Canada. By contracting with STL, the City will be able to ensure that the technical stagehands have the necessary skills.
- A competitive bidding process was assessed and deemed not to be in the best interest of the City by representatives from City Labor Relations, the City Purchasing Department, City Attorney's Office, and the Convention Center Division, due to challenges in ensuring the source of technical stagehand personnel not conflict with the City's recognition of the International Alliance of Theatrical Stage Employees (IATSE) Local 50 as the exclusive or preferred provider of additional labor for stagehand work.
- A price survey was sent out to known staging service providers believed to have agreements with IATSE Local 50 to assess fair market rates before entering into an agreement. Two out of four surveys were completed. Of the two surveys, STL replied with labor rates that were fifty- three (53%) percent lower than the other response.
- Contracting with STL is also consistent with the City's past practice (1995; 1997; and 2004) of recognizing IATSE Local 50 as having the exclusive or preferred jurisdiction for outside stagehand work performed at the Sacramento Convention Center Complex (SCC). Work rules (guidelines) have been developed for use within the SCC.

The recommendation in this report is consistent with the provisions of City Code section 3.56.230(c), which authorizes the suspension of formal competitive bidding upon a two-thirds vote of the City Council, when this is determined to be in the best interests of the City.

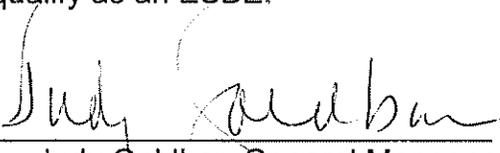
Environmental Considerations: Ongoing administrative and maintenance activities, such as purchases of supplies, equipment or materials which are not made for purposes of a public works construction project, do not constitute a "project" and are

exempt from the California Environmental Quality Act (CEQA). CEQA Guidelines, Sections 15061(b)(1), 15378(b)(3).

Rationale for Recommendation: Staff believes that it is in the best interest of the City to suspend competitive bidding for this agreement because the City will benefit from continuing to receive stagehand services from STL due to the significant (53%) savings in cost. Furthermore, STL also has a history of providing qualified, technical stagehand services through the use of Local 50 and has been involved with servicing the SCC and its clients for over thirty (30) years. STL remains a company in good standing with the City of Sacramento and is a partner in providing staging equipment for civic events such as high school graduations.

Financial Considerations: The Convention Center Fund operates as an enterprise fund and is primarily supported by the Transient Occupancy Tax and user fee revenues. This agreement and its extensions are for an amount not to exceed \$150,000 in any one year and will be covered within the current and future operating budget(s).

Emerging Small Business Development (ESBD): While the SCC meets and strives to surpass the City's 20% ESBE goal, STL does not qualify as an ESBE.

Respectfully Submitted by: 
Judy Goldbar, General Manager
Sacramento Convention Center

Approved by: 
Barbara E. Bonebrake, Director
Convention, Culture, and Leisure Department

Recommendation Approved:


for Ray Kerridge
City Manager

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Attachment 1

Background

The City first established a relationship with STL in approximately 1975, as the need arose for additional technical stagehand and theatrical equipment following the opening of the Community Center Theater in 1974. Through the years the relationship between STL and the City continued as the need for stagehand labor increased with the business, in addition to the need to rent stage and theatrical equipment.

An Agreement was entered between the City and STL in February 1996 and again in February 2002, which lasted until March 2006. Current services have continued on an as-needed, month-to-month basis as allowed under the recent agreement.

The following are additional rationale used to support past and continued relationship with STL:

- STL has been the resource used for replacement equipment and repairs and therefore brings a level of facility and equipment expertise and familiarity.
- STL is the company of choice for all technical production equipment and service to familiar performing arts clients such as Sacramento Opera, California Musical Theater, Sacramento Ballet, and Bill Graham Presents (now known as Live Nation), among other community groups and promoters.
- STL has a Collective Bargaining Agreement with the Stage Employees IATSE Local 50 of the International Alliance of Theatrical Stage Employees (IATSE) and Moving Picture Machine Operators of the United States and Canada, resulting in a large pool of skilled, technical labor required to fulfill the needs of the SCC events.

The following is the result of the sample invoice used in the survey to compare rates:

For purposes of evaluating surveys to assess the lowest cost, an average labor order will be used. All personnel needed for 4 hour shift from 4:00 – 8:00 PM on a Sunday evening. Please use the proposed rates to complete the invoice below for the following hours:

Total Crew Services, Inc. Rates:

	Rate	x	Number of Hours	Total
2- Leads	<u>\$44.55</u>		<u>8</u>	<u>\$356.40</u>
4- Riggers	<u>\$46.50</u>		<u>16</u>	<u>\$744.00</u>
4- Sides	<u>\$40.50</u>		<u>16</u>	<u>\$648.00</u>
2- Apprentice	<u>\$34.50</u>		<u>8</u>	<u>\$276.00</u>
Subtotal				<u>\$2,024.40</u>
Payroll Costs	<u>26.5%</u>			<u>\$536.47</u>
Administrative Costs	<u>0</u>			<u>0</u>
Additional Costs	<u>IATSE Annuity 20%</u>			<u>\$404.88</u>
	<u>IATSE H & W 12%</u>			<u>\$242.93</u>
TOTAL INVOICE				<u>\$3,208.68</u>

STL Rates:

	Rate	x	Number of Hours	Total
2- Leads	<u>\$20.84</u>		<u>8</u>	<u>\$166.72</u>
4- Riggers	<u>\$22.57</u>		<u>16</u>	<u>\$361.12</u>
4- Sides	<u>\$19.11</u>		<u>16</u>	<u>\$305.76</u>
2- Apprentice	<u>\$16.73</u>		<u>8</u>	<u>\$133.84</u>
Subtotal				<u>\$967.44</u>
Payroll Costs	<u>35%</u>			<u>\$338.60</u>
Administrative Costs	<u>0</u>			<u>0</u>
Additional Costs	<u>IATSE Fringe Benefits 20%</u>			<u>\$193.49</u>
TOTAL INVOICE				<u>\$1,499.53</u>

Included in the survey were GES Expo Services, Freeman Decorating, Edlen Electrical Exhibition Services, Inc., and STL. Responses were received from Total Crew Services, Inc. (an affiliate of Freeman Decorating) and STL.

Based on the survey findings, STL's prices are believed to be reasonable, fall within the range of fair market prices, and will result in a significant reduction in costs as compared to STL's competitors.

RESOLUTION NO.

Adopted by the Sacramento City Council

AGREEMENT WITH SACRAMENTO THEATRICAL LIGHTING, LTD. (STL) FOR THEATRICAL STAGECRAFT LABOR AND EQUIPMENT FOR THE SACRAMENTO CONVENTION CENTER COMPLEX

BACKGROUND

- A. The City requires the expertise of technical stagehands to augment City Stagehand labor on an as needed basis for the preparation and productions of some events at the Convention Center Complex.
- B. A labor rate survey was sent to businesses providing technical stagehand services to the Convention Center Complex who have labor agreements with IATSE. Two out of four surveys were completed and returned. Of the two surveys, STL replied with labor rates that were fifty- three (53%) percent lower than the other response.
- C. Due to the technical knowledge needed to provide service in the stagehand discipline, companies obtain additional personnel from the same local labor pool (Local 50). While the stagehand discipline is not a profession in the traditional, narrow sense, technical stagecraft labor is a unique, craft skill. Stagehand work involves tasks that must be done correctly to ensure the safety of the public, such as hanging overhead equipment. STL has a Collective Bargaining Agreement with the Stage Employees IATSE Local 50 and Moving Picture Machine Operators of the United States and Canada. By contracting with STL, the City will be able to ensure that the technical stagehands have the necessary skills.
- D. Contracting with STL is also consistent with the City's past practice (1995; 1997; and 2004) of recognizing the International Alliance of Theatrical Stage Employees (IATSE) Local 50 as having the exclusive or preferred jurisdiction for all outside stagehand work performed at the Sacramento Convention Center Complex (SCC).
- E. For the above reasons, it is in the best interests of the City to suspend competitive bidding to award the non-professional services agreement to STL for an initial term of three years for an annual amount not to exceed \$150,000, with an option for successive one-year extensions, not to exceed a total agreement term of five years.

BASED ON THE FACTS SET FORTH IN THE BACKGROUND, THE CITY COUNCIL RESOLVES AS FOLLOWS:

- Section 1. In the best interests of the City, competitive bidding is suspended, and the non-professional services agreement for technical stagecraft labor and equipment for the Sacramento Convention Center Complex, including Memorial Auditorium and the Community Center Theater, is awarded to Sacramento Theatrical Lighting, Ltd. for an annual amount not to exceed \$150,000.
- Section 2. The above agreement provides for an initial term of three years, with the option to extend for up to two additional one-year terms, up to a total agreement term of five years (including the initial term and all extensions). The City Manager may authorize such extensions for the annual not to exceed amount specified above, provided that sufficient funds are available in the budget adopted for the applicable fiscal years.