



FORTY NINERS STADIUM MANAGEMENT COMPANY

Date: November 22, 2024

To: Jovan Grogan
Executive Director
Santa Clara Stadium Authority

From: Jenti Vandertuig
Procurement Director
Forty Niners Stadium Management Company LLC

Subject: Revised Recommendation for Award RFB FY24-0069 Levi's Stadium Levi's Naming Rights Signage Replacement Project

Recommendation

1. Recommend approval and award of a one-time contract to Jones Sign Co. Inc., in the amount of \$3,978,555.87, for the replacement of Levi's naming rights signage replacement project at Levi's Stadium (Project).
2. The total cost of the Project is \$4,658,687.34, of which \$3,861,081.14 is allocated to the Santa Clara Stadium Authority (SCSA) and \$787,606.20 is allocated to StadCo. Recommend an augmentation of the SCSA budget of \$1,026,081.14 which will increase the SCSA budget amount for this Project from \$2,835,000 to \$3,861,081.14. The Project budget was approved by the SCSA as part of the FY24/25 SCSA Capital Expenditures Budget.
3. Authorize Stadium Manager to execute any and all documents associated with, and necessary for the award, completion, and acceptance of this Project; and
4. Authorize Stadium Manager to execute change orders up to 10% or \$397,855.59 for a total not to exceed construction contract amount of \$4,376,411.46.

Solicitation Process

Forty Niners Stadium Management Company LLC (Stadium Manager) has a need to replace the Levi's naming rights signage at Levi's Stadium (Stadium). The Project was approved as part of the FY24/25 SCSA Capital Expenditures budget.

Formal Solicitations for the Project

On August 27, 2024, Stadium Manager issued a Request for Bids (RFB) FY24-0065 for the Project. A mandatory Pre-Bid Conference and site walk was held on September 4, 2024 at 10:00 a.m. (PT). Nineteen representatives from twelve companies attended the Pre-Bid conference and site walk. Electronic bid submissions were due on September 23, 2024 at 3:00 p.m. Three bids were received before the due date and time. Two bidders did not meet the responsiveness and responsibility factors, and the third bidder's bid amount was determined to be cost prohibitive.

Therefore, Stadium Manager cancelled the bid. Stadium Manager reached out to the prospective bidders to inquire on their submission and decided to rebid with changes to the bid documents. In preparation of the rebid of the Project, Stadium Manager revised the licensing requirements, allowed for an extension of timelines to complete two of the four signs, expanded the schedule of values with a detailed definition of what was to be included in the lump sum, and revised the plans and specifications.

On September 28, 2024, Stadium Manager reissued the bid (RFB FY24-0068) for the Project. A non-mandatory Pre-Bid Conference and site walk was held on October 3, 2024 at 1:00 p.m. (PT). Electronic bid submissions were due on October 14, 2024 at 3:00 p.m. (PT). Six bids were received before the due date and time. Five bidders did not meet the responsiveness and responsibility factors, and the bidder with the highest bid amount was again determined to be cost prohibitive. Therefore, Stadium Manager cancelled the bid for the second time.

Stadium Manager contacted the SCSA administrative personnel to provide status and discuss next steps. Stadium Manager was advised to reissue the bid for the third time but shorten the time to receive bids to ten days from date of issuance. Stadium Manager contacted each of the non-responsive bidders regarding their submissions and scheduled specific training for their respective staff responsible for assembling the bid responses prior to reissuing the bid.

On October 17, 2024 Stadium Manager issued RFB FY24-0069 for the Project.

Stadium Manager published the RFB on Bonfire Interactive, Stadium Manager's eProcurement portal <https://49ers.bonfirehub.com/portal/>. In addition to inviting a list of contractors on our established supplier list, Stadium Manager also selected contractors registered on the portal with specific commodity codes offering such services.

Stadium Manager published the Notice Inviting Bids for the Project in the Silicon Valley Voice publication. Notices were also emailed on October 17, 2024 to prospective bidders, the Builders' Exchange of Santa Clara County and Bay Area Builders Exchange to communicate with their respective member communities regarding the solicitation for the Project.

Stadium Manager held a non-mandatory pre-bid conference on October 21, 2024 at 10:00 a.m. (PT) and facilitated a site walk the same day at 2:00 p.m. (PT) to provide an overview of the Project, answer any questions from the prospective bidders, and conduct a site walk.

On October 23, 2024, Stadium Manager issued Addendum No. 2 addressing an issue raised by one of the prospective bidders regarding the qualification requirements, revising the requirements and extending the due date for receipt of bids from October 29, 2024 to October 31, 2024 as requested by numerous bidders.

Electronic bid submissions were due on or before October 31, 2024 at 1:00 p.m. (PT). Four bids were received on or before the closing due date and time from the following firms:

1. Triangle Sign Service LLC - \$8,499,735

2. Jones Sign Co. Inc. - \$3,978,555.87
3. YESCO LLC - \$5,164,699
4. SSC Signs - \$4,485,280

Public Bid Opening

A public bid opening was held on October 31, 2024, at 2:00 p.m. (PT). The RFB provided the public bid opening webcast information including a meeting ID and password for bidders to log on via Zoom to attend. Multiple callers were in attendance. Stadium Manager announced the receipt of the four bids on or before the due date and time, announced the name of the bidders and the base bid amounts and declared Jones Sign Co. Inc., the apparent low bidder.

The protest period ended on November 7, 2024 with no protest.

Evaluation of Apparent Low Bidder

Stadium Manager reviewed and confirmed the bid from Jones Sign Co. Inc. met the responsiveness and responsibility factors.

Next Steps

The Project was approved as part of the FY24/25 SCSA Capital Expenditures budget. The current approved amount for this Project is \$2,835,000.

In accordance with the Levi’s Stadium Naming Rights Extension and Enhanced Signage Project Implementation Agreement (“Implementation Agreement”), the cost allocation for the project is as follows: (i) the SCSA shall bear the first \$2 million in total project costs (i.e., all costs attributable to the project including, without limitation, permitting costs and fees, design, construction, demolition and disposal of existing, and an initial 3-year warranty); (ii) any total project costs in excess of \$2 million shall be shared 70% SCSA and 30% StadCo. The lowest responsive bid submitted is in the amount of \$3,978,555.87, which includes all construction, demolition and disposal of existing signage, and the warranty. The total design fees are in the amount of \$214,000.00. The total permit fee budget is in the estimated amount of \$67,059.10. The proposed construction contingency in the amount of 10% of the construction bid amount is \$397,855.59. The total publication fees are in the amount of \$1,216.78. Therefore, the total project costs are \$4,658,687.34. The current project budget is in the amount of \$2,835,000.00. Based upon the cost allocation specified in the Implementation Agreement, the additional budget allocable to the SCSA for which a budget augmentation is needed is in the amount of \$1,026,081.14.

Levi’s Naming Rights Signage Replacement Project

Populous Design	\$	144,000.00
Populous CA/Fabrication Support Allowance	\$	70,000.00
City of Santa Clara - Permit Fee	\$	33,529.55

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Jones Signs Co. Inc. Bid Amount	\$	3,978,555.87
Silicon Valley Voice Publication (10/27/24)	\$	380.00
Mercury News Publication (9/27/24)	\$	278.93
Mercury News Publication (8/30/24)	\$	340.91
Mercury News Publication (8/28/24)	\$	216.94
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Subtotal	\$	4,260,831.75
Contingency (10%)	\$	397,855.59
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	\$	4,658,687.34
SCSA Obligation**:	\$	3,861,081.14
StadCo Obligation:	\$	797,606.20
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	\$	4,658,687.34
FY24 Project Budget	\$	2,835,000.00
SCSA Obligation	\$	3,861,081.14
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Variance/SCSA Augmentation	\$	(1,026,081.14)

**SCSA Pays first \$2M; 70% (SCSA) / 30% (StadCo) Split over \$2M

Once Stadium Manager receives approval from the SCSA Board, a contract (included in the RFB) will be executed with Jones Sign Co. Inc., and a fully executed copy of the contract will be forwarded to the SCSA. In addition, Stadium Manager requests authorization to issue change orders up to \$397,855.59 or 10% of the Project cost which will allow Stadium Manager to take timely administrative action if required and not delay completion of the Project.

Supporting documentation has been provided for review and approval. Stadium Manager’s request to publish legal notices in the San Jose Mercury News for various solicitations, including public works, was approved by the SCSA Board on July 13, 2021. This Project is a public works project.

Update on Alignment with Levi’s Stadium Naming Rights Extension and Enhanced Signage Project Implementation Agreement

On November 1, 2024 Stadium Manager submitted the Recommendation for Award to the SCSA staff for review and approval. Based on the review, SCSA staff requested Stadium Manager to address the warranty requirements in the Levi’s Stadium Naming Rights Extension and Enhanced Signage Project Implementation Agreement.

Under the Levi’s Stadium Naming Rights Extension and Enhanced Signage Project Implementation Agreement, total project costs include demolition and disposal costs of the

existing signage, third-party design and construction costs of the Enhanced Signage, City permitting cost and fees for the initial installation of the Enhanced Signage, and the cost of the initial 3-year warranty for the Enhanced Signage.

The baseline project bid included a warranty on all Work that may prove to be defective in its workmanship, materials furnished, methods of installation or fail to conform to the Contract Document requirements together with any other Work which may be damaged or displaced by such defect(s) within a period of one (1) year from the date of the Notice of Completion of the Project without any expense whatever to the Stadium Manager, ordinary wear and tear and unusual abuse and neglect excepted. All costs associated with such corrective actions shall be the sole responsibility of the Contractor. The Contractor shall obtain for Stadium Manager all warranties that would be given in normal commercial practice and assign to Stadium Manager any and all manufacturer's or installer's warranties for equipment or materials not manufactured by Contractor and provided as part of the Work, to the extent that such third-party warranties are assignable and extend beyond the warranty period. The baseline bid also includes extended warranty on specific materials such as a five (5) year written warranty on flexible (panaflex) sign faces for defects in material and workmanship from the date of installation, including provisions for repair or replacement of flexible sign faces showing premature wear or failure.

In order to fill the gap between the baseline project bid warranty requirements and the Levi's Stadium Naming Rights Extension and Enhanced Signage Project Implementation Agreement, the Stadium Manager worked with the SCSA staff and bidder to provide additional warranty options. The bidder is willing and able to provide a full three-year parts and labor warranty for the signs at an additional cost of \$48,794.88. This warranty will extend coverage of all manufacturers and installer warranties for a full three years and meet the requirements of the Implementation Agreement.

Additionally, the bidder is also willing to provide a full ten-year stand-alone parts warranty for signage materials at the additional cost of \$229,840.87. Items covered in the ten-year warranty include LED lighting, power supplies, flex face, vinyl, and paint. However, the bidder's requirement is to select the full three-year parts and labor warranty or the ten-year stand-alone parts warranty. This requires further discussion and alignment on the options provided by bidder. Any costs for a warranty longer than 3 years would be at SCSA's sole cost and expense per the terms agreed upon in the Levi's Stadium Naming Rights Extension and Enhanced Signage Project Implementation Agreement.

Irrespective of the option to select a three-year parts and labor warranty or a ten-year parts warranty, the Request for Bids, a method of formal solicitation utilized to receive the bids, precludes us from unanimously including new requirements after the bid has been closed and before an award. Therefore, Stadium Manager's recommendation is for the SCSA Board to review and approve the recommended actions first. Subsequently, Stadium Manager will submit a recommendation to issue a change order to the contract to include the additional warranties.

Stadium Manager appreciates working with the SCSA administrative staff to ensure these provisions are met.

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Jenti Vandertuig
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11/22/2024

Submitted By: _____ Date: _____

Jenti Vandertuig, Procurement Director