



## **FORTY NINERS STADIUM MANAGEMENT COMPANY**

Date: August 27, 2024

To: Jovan Grogan  
Executive Director  
Santa Clara Stadium Authority

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

Subject: Recommendation to Amend Agreement with ABM Industry Group, LLC for  
Janitorial Services at Levi's Stadium

### **Recommendation**

Recommend approval to execute the third amendment to the agreement with ABM Industry Group, LLC for janitorial services at Levi's Stadium to extend the term of the agreement on a month-to-month basis that will not exceed six months, commencing October 1, 2024 with thirty calendar days' advance notice to contractor to terminate the agreement.

### **Reasons for Recommendation**

On January 26, 2017, Forty Niners Stadium Management Company LLC (Stadium Manager) issued a Request for Proposal for janitorial services at Levi's Stadium and awarded an agreement with ABM Industry Group, LLC for a five-year term, beginning April 1, 2017 through March 31, 2022 with an option to extend the agreement for a two-year term through March 31, 2024. Stadium Manager exercised the option to extend the agreement through March 31, 2024. This recommendation was reviewed and approved by the Santa Clara Stadium Authority (SCSA) prior to the execution of the agreement.

Janitorial services are used for year-around daily cleaning services; annual deep cleaning; cleaning at seating bowl events and games which consists of pre-event, event, and post-event cleaning when the seating bowl is utilized for the event; cleaning at catered events facilitated by Special Events team, such as proms, parties, receptions, etc., and for ancillary services such as parking lot cleaning, and window washing.

On March 19, 2024, the SCSA Board approved Stadium Manager's request to amend the agreement to exercise the option to extend the agreement commencing April 1, 2024 on a month-to-month basis that will not exceed six months, with thirty calendar days' advance notice to contractor to terminate the agreement. The plan was to issue a formal solicitation and bring forth

a recommendation to the SCSA Board for a new multi-year agreement.


As planned, on May 6, 2024, Stadium Manager issued a comprehensive formal solicitation for janitorial services at Levi's Stadium and proposals were received on June 12, 2024. Stadium Manager is in the process of evaluating the proposal responses and it is anticipated that the selection process including negotiations of business, legal and cost terms and conditions will be completed in September 2024 and a recommendation to award for a multi-year agreement will be presented to the SCSA Board in October 2024 by the Stadium Manager. Given the nature of the services, additional time is required to effectively manage the transition depending on the recommended contractor through the formal solicitation process. Therefore, an extension of the current agreement on a month-to-month basis that will not exceed six months, with thirty calendar days' notice to contractor to terminate the agreement is recommended for continuity of business to keep the Stadium operational. The rates will remain the same during the extended term.

### **Fiscal Impact**

The monthly expense for the routine ABM cleaning services is in the range of \$110,000 - \$120,000 per month, which is charged 50% to SCSA and 50% to StadCo. There are separate charges for NFL and Non-NFL events, which are charged directly to the events. Accordingly, the estimated cost to the SCSA during the recommended extension period would be approximately \$57,500 per month and such costs are included in the Stadium Operations FY24/25 budget.

### **Next Steps**

Once approved, Stadium Manager will forward a copy of the executed amendment to the SCSA.

Submitted By:  Date: 9/5/2024  
Jenti Vandertuig, Procurement Director