



FORTY NINERS STADIUM MANAGEMENT COMPANY

Date: June 12, 2025

To: Jovan Grogan
Executive Director
Santa Clara Stadium Authority

From: Francine Melendez Hughes
Executive Vice President and General Manager
Forty Niners Stadium Management Company LLC

Subject: Recommendation for Approval to Amend Agreements with ACCO Engineered Systems, Inc., and O.C. McDonald Co., Inc., for On-Call Mechanical and Plumbing Maintenance and Repair Services at Levi's Stadium

Recommendation

Recommend approval to execute the second amendment to the agreement with ACCO Engineered Systems, Inc., for on-call mechanical and plumbing maintenance and repair services at Levi's Stadium to extend the term of the agreement from September 7, 2025, to September 6, 2026, for the fifth contract year with a not to exceed compensation amount of \$250,000. Total compensation, in the aggregate, shall not exceed \$1,250,000 over the five-year period.

Recommend approval to execute the third amendment to the agreement with O.C. McDonald Co., Inc., for on-call mechanical and plumbing maintenance and repair services at Levi's Stadium to extend the term of the agreement from September 7, 2025, to September 6, 2026, for the fifth contract year with a not to exceed compensation amount of \$250,000. Total compensation, in the aggregate, shall not exceed \$1,504,922 over the five-year period.

Reasons for Recommendation

Forty Niners Stadium Management Company LLC (Stadium Manager) provides management services for the Stadium on a continual, year-round basis, including overseeing the day-to-day operations and maintenance of the Stadium. The Stadium is a 1.8 million square foot facility completed in 2014. It utilizes complex mechanical and plumbing components matching the size and age of facility. Stadium Manager determined that having a list of qualified and experienced contractors to provide mechanical and plumbing maintenance and repair services at the Stadium on an as-needed basis was essential to maintaining and running the Stadium. Therefore, it was in Stadium Manager's best interest to solicit proposals from contractors capable of managing a wide range of mechanical (HVAC) and plumbing repairs.

Pursuant to a formal solicitation process, on July 27, 2021, Stadium Manager recommended and received approval from the Santa Clara Stadium Authority (SCSA)

Board to establish agreements with ACCO Engineered Systems, Inc., and O.C. McDonald Co., Inc., for on-call mechanical and plumbing maintenance and repair services at Levi's Stadium, for a three-year period with an option to extend the agreements for two additional one-year periods. The amount of compensation for each agreement was not to exceed \$250,000 per contract year without prior approval from the SCSA. Total compensation, in the aggregate, was not to exceed \$750,000 under each agreement. Stadium Manager executed agreements with ACCO Engineered Systems, Inc., and O.C. McDonald Co., Inc. for a three-year period from September 7, 2021, September 6, 2024.

During the term of the agreements, both ACCO Engineered Systems, Inc., and O.C. McDonald Co., Inc. worked on mechanical and plumbing systems throughout the Stadium. The services performed include working on all aspects of the HVAC systems including resolving problems with air handling, cooling towers, refrigeration, supply and return fans, and exhaust fans. They have provided maintenance and repairs for various boiler systems. In addition, they have performed work on various plumbing systems ranging from repairing pipes to addressing sewer and storm drainage system issues.

During the term of the agreement, Stadium Manager recommended and received approval and authorization from the SCSA Executive Director to execute an amendment to the agreement with O.C. McDonald Co., Inc. for the emergency procurement of the Temporary Domestic Boiler Emergency Project, increasing the maximum compensation for year three for O.C. McDonald Co., Inc. from \$250,000 to \$504,922 to complete the emergency repair utilizing SCSA capital expenditure funds. Stadium Manager provided a copy of the executed amendment to the SCSA.

Stadium Manager had a continued need to have on-call mechanical and plumbing maintenance and repair providers beyond the initial 3-year term and exercised the option to extend the agreements for a fourth contract year with a not to exceed compensation amount of \$250,000 for each provider. Stadium Manager recommended and received approval and authorization from the SCSA Executive Director on August 27, 2024 to execute amendments to the agreements with ACCO Engineered Systems, Inc., and O.C. McDonald Co., Inc., to extend the terms for a fourth year from September 7, 2024 through September 6, 2025 with a total aggregate not to exceed compensation amount for ACCO Engineered Systems, Inc., of \$1,000,000 and a total aggregate not to exceed compensation amount to O.C. McDonald Co., Inc. of \$1,254,922.

The following are orders placed or expenditures incurred for contract years one through four of the agreements:

ACCO Engineered Systems, Inc.,

Contract Year One (9/7/21-9/6/22) - \$237,013.13

Contract Year Two (9/7/22-9/6/23) - \$244,417.20

Contract Year Three (9/7/23-9/6/24)-\$248,226.43

Contract Year Four (9/7/24-9/6/25 YTD)- \$38,407.99

The Contract Year Three spend figure for ACCO Engineered Systems of \$174,017.43 which was reported in our Recommendation to Amend Agreements submitted in August 2024, was based on a partial contract year. We updated the spend number to \$248,226.43 to reflect the actual spend for the entire Contract Year Three period.

O.C. McDonald Co., Inc.

Contract Year One (9/7/21-9/6/22) – \$0.00

Contract Year Two (9/7/22-9/6/23)- \$37,424.02

Contract Year Three (9/7/23-9/6/24)- \$254,922 (amendment issued utilizing SCSA capital expenditure funds)

Contract Year Four (9/7/24-9/6/25 YTD) – \$0.00

For O.C. McDonald Co., Inc., the \$254,922 identified for Contract Year Three represents the full amount of contract amendment for the temporary boiler. There have been no other orders placed with this vendor since that time.

Stadium Manager continues to have a need for on-call plumbing and mechanical maintenance and repair services to maintain the continuity of operations of Levi's Stadium and would like to exercise the right to extend the agreements with Both ACCO Engineered Systems, Inc., and O.C. McDonald Co., Inc., for an additional one-year period with a not to exceed amount of \$250,000 for each agreement. Having both providers available to provide on-call services allows Stadium Manager to get quotes for services from both providers ensuring our ability to issue task orders based on availability and lowest cost. Stadium Manager will request the SCSA for approval to increase the maximum compensation during the contract year, if warranted.

For year five of the agreement, ACCO Engineered Systems, Inc., has requested a 3% increase in labor rates to compensate for the annual union signatory labor increases. The 3% rate increase is consistent with the maximum allowed rate increase set forth in Exhibit G-1 of the Agreement. O.C. McDonald Co., Inc., did not request an increase in labor rates for year five of the agreement. Total compensation, in the aggregate, for ACCO Engineered Systems, Inc., will not exceed \$1,250,000 over the five-year period. Total compensation, in the aggregate, for O.C. McDonald Co., Inc., will not exceed \$1,504,922.

Fiscal Impact

The cost for such services is covered in the FY25/26 SCSA Budget, Engineering Department budget, as a shared expense.

Next Steps

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

The following documents are attached:

1. Proposed amendment with ACCO Engineered Systems, Inc., to extend the term for one year from 9/7/25 through 9/6/26 with a not to exceed compensation amount of \$250,000.
2. Proposed amendment with O.C. McDonald Co., Inc., to extend the term for one year from 9/7/25 through 9/6/2026 for a not to exceed compensation amount of \$250,000.

Submitted By:  Francine Hughes Date: 6/13/2025
Francine Melendez Hughes, Executive Vice President and General Manager