



FORTY NINERS STADIUM MANAGEMENT COMPANY

Date: June 13, 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 Award for Integrated Communications Systems
Contract Amendment

Recommendation:

On May 23, 2023, the SCSA Board approved Stadium Manager's request to establish a three-year agreement with Integrated Communication Systems (ICS) to provide fire alarm testing, inspection, maintenance, and related services with an option to renew for two one-year periods. The initial term of the agreement was from June 1, 2023 through March 31, 2026, with a not-to-exceed amount of \$352,000 over the three-year period.

The recommendation by SCSA staff was to award the three-year agreement with the option to extend for two additional one-year periods; and authorize the Executive Director to approve the exercise of the option to extend the agreement for up to two additional one-year periods with the same basic terms and conditions, subject to budget appropriations.

This request is for the SCSA's approval of an amendment to increase the contract amounts for contract years two and three in the amounts of \$16,000 and \$40,000, respectively, resulting in a total increase of \$56,000 in the overall contract amount. For on-call service agreements, such as the subject agreement with ICS, the Stadium Manager tracks actual costs incurred to monitor historical spend by vendor, by date. We use this system to track spending against the not to exceed amount in each vendor's contract (by contract year). As we have transitioned our ERP from Great Plains to Business Central, we are currently tracking the "contract year" spend in Excel using data from the ERP.

Regular testing of the fire alarm system is critical to the safe operation of the stadium. To maintain a consistent and safe operating environment for Non-NFL and NFL events, the vendor performs regular inspections of the EST3 fire alarm system, performs corrective maintenance as issues arise, and provides on-site response and emergency services as needed.

Spending on fire alarm and smoke detector repairs has increased and exceeds the anticipated projections that were included during the original RFP process.

In the case of ICS, we incurred approximately \$14,000 in costs late in the FY24/25 fiscal year, including battery replacements, smoke alarm replacements, and panel faults which we needed to address on a priority basis. We proceeded with those repairs recognizing that it would cause us to exceed the ICS "contract year" spend by approximately \$14,000, but did so understanding that due to the inherent risk, we needed to address potential issues in the fire alarm system as soon as they were identified. We would have preferred to request approval from the SCSA to increase the "not to exceed" in the ICS contract prior to incurring those costs; however, we felt it was important to address the time-sensitive issues immediately, and we had ample room in the approved SCSA budget to do so. The proposed budget increase of \$16,000 for FY24/25 consists of the \$14,000 in additional spending, plus an allowance of \$2,000 to cover any late arriving invoices from this vendor.

The original contract value is \$352,000, and the new contract value will be \$408,000 upon approval of the amendment. The cost for ICS's service, inclusive of the proposed increase, is covered in both the FY24/25 SCSA Budget and FY25/26 SCSA Budget, Engineering Department budget, as a shared expense. Accordingly, there is no need for a budget amendment.

The breakdown of costs are as follows for the three-year period:

- Total not to exceed amount for three years accounting for proposed increase in contract amount: \$408,000
 - Year One – 4/19/23 through 3/31/24 - \$115,000
 - Year Two – 4/1/24 through 3/31/25 - \$133,000
 - Year Three – 4/1/25 through 3/31/26 - \$160,000

The following have been attached as supporting documentation:

1. SCSA Board Agenda for May 23, 2023
(Recommendation for Award Memo from Stadium Manager)
2. Executed agreement with Integrated Communication Systems dated June 1, 2023
3. Proposed amendment with ICS to increase the NTE by \$56,000

Submitted By: Signed by:
Francine Melendez Hughes Date: 6/18/2025
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 Francine Melendez Hughes, Executive Vice President and General Manager