



FORTY NINERS STADIUM MANAGEMENT COMPANY

Date: November 30, 2021

To: Jim Mercurio
Executive Vice President & General Manager

From: Jenti Vandertuig
Procurement Director

Subject: Recommendation for Budget Augmentation for Levi' Stadium Insulation
Capping SCSA Capital Expenditures Project

Recommendation

Recommend a budget augmentation for the Stadium Insulation Project of \$360,000, which will increase the budget amount for this project from \$157,500 to \$517,500. The original budget amount was approved by the Santa Clara Stadium Authority (SCSA) as part of the FY 21/22 SCSA Capital Expenditures Budget.

Reasons for Recommendation

The Stadium Insulation Project (Project) was approved by the SCSA Board as part of the FY 21/22 SCSA Capital Expenditures budget. The approved funds allocated for this Project was \$157,500. The original insulation sheeting was failing due to weather conditions and the purpose of this Project was to replace the insulation sheeting intended to help reduce sound reverberation in the concourse level at the Levi's Stadium (Stadium) and protect the concrete from weather elements.

On October 19, 2021, Forty Niners Stadium Management Company (Stadium Manager) issued a Request for Bids (RFB) FY21-0016 to furnish and install new insulation sheeting above the concourse and concession areas at the Stadium where the existing sheeting is separating from the existing insulation. The plan is to leave the existing insulation in place, and install new sheeting over the insulation to improve the appearance and extend the life of the existing insulation.

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 firms on our established supplier list, Stadium Manager also selected firms registered

on the portal with specific commodity codes offering exterior insulation and finishing services and building insulation services.

On October 21, 2021, Stadium Manager published the Notice Inviting Bids related to this Project in the San Jose Mercury News publication. Notices were also emailed on October 19, 2021 to the Builders' Exchange of Santa Clara County and Minority Business Consortium requesting them to communicate with their respective communities.

Stadium Manager held a non-mandatory pre-bid conference on October 27, 2021 at 10:00 a.m. via Zoom and also provided options for on-site visits and requests for substitutions by prospective bidders. The RFB closed on November 17, 2021 at 3:00 p.m. and a public bid opening was held at 4:00 p.m. the same day. Two bids were received from the following bidders:

1. Bear Insulation, Inc. with a base bid amount of \$465,520
2. Alcal Specialty Contracting, Inc. with a base bid amount of \$582,092

While both bidders submitted all the required documents, they also submitted a proposal letter requiring us to accept their terms in addition to the completed bid documents. The Procurement Lead contacted the apparent low bidder and notified them that their cover proposal terms conflicted with the RFB terms.

Stadium Manager evaluated the situation and deemed both bids as non-responsive and notified the bidders of the decision, including advising them on how the public works public bidding process is conducted. Stadium Manager also noted that the apparent low bidder's base bid amount was \$465,520 which was \$308,020 more than the \$157,500 budget amount for this Project.

Stadium Manager evaluated the situation and believes it is prudent to augment the budget and re-bid the work to replace the insulation sheeting for the following reasons:

1. To improve the appearance and extend the life of the existing insulation;
2. To help reduce sound reverberations in the concourse level at the Stadium;
3. Protect the concrete from weather elements.

Attached as Exhibit A-1 are diagrams illustrating the area including photographs of the insulation sheeting that need to be replaced.

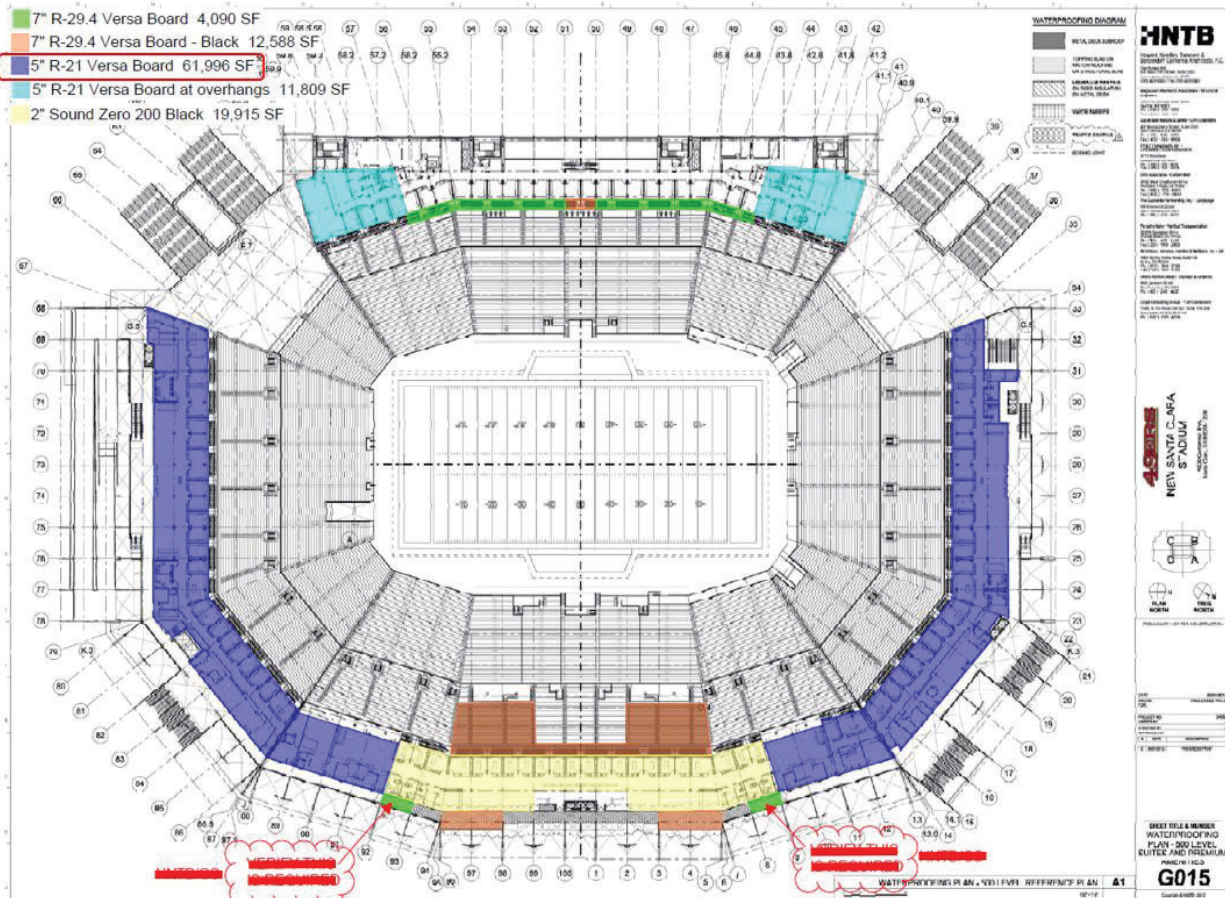
Therefore, approval is sought to augment the budget by \$360,000 for a total not to exceed amount of \$517,500 for the Project. Once approved by the Board, Stadium Manager will issue a new RFB and submit the bid results with a recommendation to the SCSA Board for review and approval.

The RFB and related documents have been submitted as supporting documentation with this memo.

Submitted By:  A4B5666F5BF147D... Date: 11/30/2021
Jenti Vandertuig, Procurement Director

Approved By:  CC8F2EFA5F32465... Date: 11/30/2021
Jim Mercurio, Executive Vice President & General Manager

Layout drawing shown below to represent area of Capping installation (shown in purple) above concourse, concession and restroom facilities.



Existing Photos: Images below show the existing condition of the current capping sheets delaminating from the existing insulation.





