



FORTY NINERS STADIUM MANAGEMENT COMPANY

Date: June 21, 2021

To: Jim Mercurio
Executive Vice President & General Manager

From: Jenti Vandertuig
Procurement Lead

Subject: Recommendation to Utilize Multiple Cooperative Agreements for Operational Needs at Levi's Stadium

Recommendation

Utilize select cooperative agreements available through OMNIA Partners, Public Sector and establish multiple agreements with the following suppliers to acquire goods and services for Levi's Stadium:

1. HD Supply Facilities Maintenance, LTD (HD Supply)
2. Graybar Electric Company, Inc. (Graybar)
3. Shred-it
4. FedEx

If these cooperative agreements are approved by the SCSA Board, Stadium Manager will enter into agreements with each of the vendors as detailed in this memo and forward an executed copy.

There is no fiscal impact on the SCSA or StadCo from this action, as the costs for these goods and services are already included in the FY21/22 SCSA Budget. Accordingly, there is no need for the SCSA Board to approve individual appropriations for each of these vendors, as that would be duplicative of the costs already included in the FY21/22 Budget.

Background on Cooperative Procurement

Over the past decade, the concept of leveraging the combined spend of multiple entities has become a contracting trend. Known as "cooperative procurement," it combines the procurement requirements and purchasing power of several public agencies, into a larger solicitation that typically results in a more advantageous contract. The widely accepted practice called "piggybacking" occurs when a cooperative organization solicits on behalf of its members, with the resulting contract used by many agencies. The benefits can be tangible, including:

Savings in time—Since the solicitation process has already been conducted, agencies can quickly garner goods and services through an already established contract, rather than spending weeks and months to solicit their own contract(s).

Advantageous pricing and value—Cooperative contracts often produce lower prices by standardizing commodities and services and aggregating spend. Smaller entities benefit by leveraging volume discounts, and benefit from the purchasing power of a larger agency.

Subject matter expertise—Cooperative solicitations allow for the inclusion of subject matter experts across a wider base, as opposed to the limited knowledgeable resources available within a single contracting agency.

Packaged Services - As commodity purchasing has become more complicated, cooperative contracts are now combining value-added consulting or installation services to products, such as security camera and systems, HVAC and air quality equipment, etc.

Convenience—For customer departments, the ease of obtaining products has been streamlined. Instead of the lengthy process of requesting quotes, bids, or proposals, customers select products and services from the catalog, as the cooperative contract is already in place and vetted by procurement.

Recognized by the American Bar Association, as outlined in its Model Procurement Code for State and Local Governments, the concept of cooperative procurement is a proven, accepted means for the procurement of goods, services and construction across the nation. As a result, a growing percentage of public procurement professionals rely on cooperative purchasing as a much-needed tool in public contracting. A recent white paper by Harvard University's John F. Kennedy School of Government touts the benefits of cooperative purchasing, concluding that "cooperative purchasing clearly can add value."

There are a number of consortiums, non-profit and for profit organizations providing cooperative agreements. These organizations have specific requirements to be met to achieve member status. OMNIA Partners, Sourcewell, National Association of State Procurement Officials (NASPO) ValuePoint are a few of these organizations providing such cooperative agreements.

OMNIA Partners

OMNIA Partners is one of the largest organizations in procurement and supply chain management. OMNIA Partners, Public Sector is a purchasing organization for state and local government, K-12 education, colleges, universities, and other agencies. All contracts available through OMNIA have been competitively solicited and publicly awarded by a government entity serving as the lead agency while utilizing industry standard practices and processes. Contracts offering a wide range of commodities such as business products and services, facilities maintenance, repair and operations, information technology, furniture, food, public safety, medical, and fleet are included in their portfolio of agreements to utilize.

Stadium Manager has been registered as a member of OMNIA Partners, Public Sector since October 22, 2019 with a participating agency number 5296559.

Recommendation

Establish agreements with the following suppliers as a member of OMNIA Partners, Public Sector:

1. HD Supply Facilities Maintenance, LTD

Establish a five-year agreement with HD Supply Facilities Maintenance, LTD., for maintenance, repair, operating supplies, industrial supplies and related products and services in an amount not to exceed \$50,000 per year with an option to extend for two additional years. The term for subsequent fiscal years shall be conditioned upon approval of Stadium Authority budget for the applicable fiscal year that includes the amounts under this agreement.

The HD Supply cooperative agreement contract period is from February 1, 2017 through December 31, 2026. Maricopa County, Arizona, lead agency agreement including amendments, an executive summary and product list can be accessed online at:

<https://www.omniapartners.com/publicsector/suppliers/hd-supply/contract-documentation#c35710>

HD Supply has over 70,000 products in their core merchandise assortment across categories including, appliances, cabinets and countertops, doors and molding, electrical, flooring, hardware, HVAC, lighting, paint and supplies, plumbing and water heaters, safety, signage, storage, tools and window coverings. This contract will save the Stadium Engineering staff time and money by providing a known and established distributor that can quickly deliver necessary materials and equipment to the Stadium. The Stadium Engineering staff will continue to need the materials and equipment supplied by HD Supply on an ongoing basis for general renewal and replacement associated with preventative and corrective maintenance.

The cost of purchases under this agreement is covered in the Stadium Manager's FY 21/22 SCSA budget, Engineering Department.

2. Graybar Electric Company, Inc.

Establish an eighteen-month agreement with Graybar Electric Company, Inc., for electrical, lighting, data communication and security products and related products, services and solutions in an amount not to exceed \$50,000 per year with an option to extend the agreement for four additional years, if the lead agency exercises the option to extend the cooperative agreement beyond the initial period ending January 31, 2023. The term for subsequent fiscal years shall be conditioned upon approval of Stadium Authority budget for the applicable fiscal year that includes the amounts under this agreement.

The Graybar cooperative agreement contract period is from February 2, 2018 through January 31, 2023. The renewal period provides an option for the lead agency, at its sole discretion, to

extend the agreement for three additional two year periods. City of Kansas City, Missouri, lead agency agreement including amendments, an executive summary and product list can be accessed online at: <https://www.omniapartners.com/publicsector/suppliers/graybar/contract-documentation#c36113>

Graybar provides a complete and comprehensive offering of wholesale electrical and lighting supplies such as, but not limited to: conduit, wire boxes, fittings, enclosures, fuses, power distribution and control and related general electrical materials, lamps, ballasts, fixtures, controls, and all related lighting and LED products. Graybar's offering range over fifty different manufacturers for electrical, lighting, key communication and security.

The Stadium Engineering staff will need the materials and equipment supplied by Graybar on an ongoing basis for general renewal and replacement associated with preventative and corrective maintenance.

The cost of purchases under this agreement is covered in the Stadium Manager's FY 21/22 SCSA budget, Engineering Department.

3. Shred-it

Establish a ten-month agreement with Shred-it for document shredding services in an amount not to exceed \$10,000 per year with an option to extend the agreement for two additional years, if the lead agency exercises the option to extend the agreement beyond the current expiration date of May 14, 2022. The term for subsequent fiscal years shall be conditioned upon approval of Stadium Authority budget for the applicable fiscal year that includes the amounts under this agreement.

The Shred-it cooperative contract period is from May 15, 2017 through May 14, 2022 with an option to renew for two additional one year periods through May 14, 2024. Cobb County, Georgia, lead agency agreement including amendments, an executive summary and how the agreement works can be accessed online at:

<https://www.omniapartners.com/publicsector/suppliers/shred-it/contract-documentation#c36154>

Document shredding services is needed as part of Stadium Manager's ongoing operations. Shredding services are offered on an as needed basis or via a regularly scheduled services for pickup, shredding with 100% of the materials recycled. Stadium Operations will benefit from using the cooperative agreement as our volume is low and not cost effective to solicit based on our volume.

The cost for this service is covered in the FY21/22 SCSA Budget in various departments.

4. FedEx

Establish a four-year agreement with FedEx for expedited mail, small ground freight, related products and services in an amount not to exceed \$5,000 per year through April 27, 2025. The

term for subsequent fiscal years shall be conditioned upon approval of Stadium Authority budget for the applicable fiscal year that includes the amounts under this agreement.

The FedEx cooperative contract period is from April 27, 2020 through April 27, 2025 with an option to extend for four additional one year periods through April 27, 2029. University of California, CA, lead agency agreement including amendments, an executive summary and pricing can be accessed online at:

<https://www.omniapartners.com/publicsector/suppliers/fedex/contract-documentation#c36243>

As part of daily operations, Stadium Manager has a need to utilize expedited mail, small ground freight, related products and services on an as needed basis. Utilizing State of California, CA cooperative agreement is advantageous for Stadium Manager given our volume and usage.

The cost for this service is covered in the FY21/22 SCSA Budget in various departments.

Next Steps

Once Stadium Manager receives approval from the Stadium Authority Board, agreements will be established with the four suppliers as recommended. Copies of executed agreements will be forwarded to the Board.

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Jim Mercurio, Executive Vice President & General Manager