



Agenda Report

21-947

Agenda Date: 7/13/2021

REPORT TO STADIUM AUTHORITY BOARD

SUBJECT

Report from the Stadium Authority Regarding the Stadium Manager's Request for Approval to Award a Purchase Order to Astrophysics Inc. for Security X-Ray Scanners CapEx Project

BOARD PILLAR

Ensure Compliance with Measure J and Manage Levi's Stadium

BACKGROUND

On October 8, 2019, the Stadium Authority Board (Board) approved Ordinance No. 2005 amending Chapter 17.30 of the City Code (Stadium Authority Procurement Policy), which rescinded the delegation to the Executive Director to enter into agreements without prior Board approval. As result of Ordinance No. 2005, the Stadium Manager is also required to request Board approval before entering into agreements on behalf of the Stadium Authority. As of the effective date of the Ordinance (November 8, 2019), all Stadium Authority agreements for services, supplies, materials, and equipment require the approval of the Stadium Authority Board.

As the Stadium Manager, Forty Niners Stadium Management Company, LLC (ManCo), is responsible for maintaining "the Stadium in the Required Condition and operate the Stadium as a quality NFL and multi-purpose public sports, public assembly, exhibit and entertainment facility" as required by the Management Agreement between the Stadium Authority and ManCo.

Stadium Manager is requesting approval to award a purchase order to Astrophysics Inc. to purchase quantity four X-ray security screening equipment in the total amount of \$99,503. The equipment will be used to screen deliveries made at the loading dock and to screen bags and packages during events.

DISCUSSION

Pursuant to City Code Sections 2.105.180, and 2.105.280, a formal Request for Bid (RFB) was conducted as the solicitation method, with the recommendation of award to the "lowest appropriate bidder meeting specifications."

On March 23, 2021, the Board approved the Stadium Authority FY 2021/22 Operating, Debt Service and Capital Budget (Budget), which included a Security X-ray Scanners line item under the CapEx portion of the Budget. The following description was provided by the Stadium Manager for the line item: "Purchase four (4) portable X-ray units to observe postage that comes into the loading dock 24/7 and screen bags/deliveries during event days." The project is a carryover from FY 2020/21 and is new equipment for Levi's Stadium.

The Stadium Manager prepared and submitted a Recommendation of Award memorandum, which is attached to the corresponding report (#21-946). The memorandum describes the bid process that was implemented in greater detail. Through separate correspondence, the Stadium Manager shared that this additional security screening equipment is recommended by the Department of Homeland Security and National Football League (NFL) and is designed to enhance security of all personnel and the Stadium itself. The Stadium Manager also strongly recommends that the equipment be operational prior to opening the 49ers season.

Stadium Authority staff reviewed the Stadium Manager's memorandum and supporting documentation to ensure compliance with appropriate purchasing sections under Chapters 2.105 and 17.30 of the Santa Clara City Code and recommends Board approval of the Stadium Manager's request. Staff has been following the City Code provisions under Chapter 2.105 for consistency and to ensure that best practices in public sector procurement are being followed. The Stadium Authority will require complete supporting documentation before releasing public funds upon procurement of the equipment.

ENVIRONMENTAL REVIEW

The action being considered does not constitute a "project" within the meaning of the California Environmental Quality Act ("CEQA") pursuant to CEQA Guidelines section 15378(b)(5) in that it is a governmental organizational or administrative activity that will not result in direct or indirect changes in the environment.

FISCAL IMPACT

The FY 2021/22 CapEx budget contains \$157,500 for the Security X-ray Scanners line item. There are sufficient funds to cover the cost of the four X-ray security screening equipment (\$99,503).

COORDINATION

This report has been coordinated with the City's Purchasing Manager and the Stadium Authority Counsel and Treasurer's Office.

PUBLIC CONTACT

Public contact was made by posting the Council agenda on the City's official-notice bulletin board outside City Hall Council Chambers. A complete agenda packet is available on the City's website and in the City Clerk's Office at least 72 hours prior to a Regular Meeting and 24 hours prior to a Special Meeting. A hard copy of any agenda report may be requested by contacting the City Clerk's Office at (408) 615-2220, email clerk@santaclaraca.gov.

RECOMMENDATION

1. Approve the Stadium Manager's request to award a purchase order to Astrophysics Inc. in the amount of \$99,503 for Security X-Ray Scanners (four X-ray security screening equipment), and authorize the Executive Director to approve and process the reimbursement of such costs upon receiving final invoices and supporting documentation from the Stadium Manager.

Prepared by: Christine Jung, Assistant to the Executive Director

Reviewed by: Deanna J. Santana, Executive Director