



Agenda Report

21-1249

Agenda Date: 10/19/2021

REPORT TO STADIUM AUTHORITY BOARD

SUBJECT

Action on Stadium Authority Bills and Claims for the Month of July 2021

BOARD PILLARS

Enhance Community Engagement and Transparency
Ensure Compliance with Measure J and Manage Levi's Stadium

BACKGROUND

Disbursements made by the Stadium Authority are based on invoices submitted for payment. Prior to payment, staff reviews all disbursement documents to ensure that they are in compliance with the goods or services provided.

The Bills and Claims listing represents the cash disbursements required of normal and usual operations during the period. Budget control is set by the Stadium Authority Board through the budget adoption process.

DISCUSSION

On April 30, 2019 the Stadium Authority Board directed staff to stop payment of any Stadium Authority invoices for services unless there is substantial documentation of services rendered, which must also be in compliance with State law and City Code. Since April 30, 2019, staff received direction to pay Stadium Authority invoices related to SBL sales and services, insurance, and utilities.

At the March 23, 2021 Stadium Authority Board meeting, the Executive Director was delegated authority to approve budget amendments of \$4.2 million to move funds from the Legal Contingency line item to Shared Expenses after the review of adequate documentations for costs based on Board direction. Subsequent to that direction, Stadium Authority staff met at Levi's Stadium on March 30, 2021 to review documentation for shared expenses. After follow-up meetings with the Stadium Manager, payments related to compensation that were reviewed and approved for monthly payment, totaling \$4.2 million for the fiscal year.

In addition, based on conversation at Stadium Manager-Stadium Authority Quarterly meeting, it was stated that the Utilities invoiced amounts were based on the budget, which did not factor utility costs to operate the vaccination site into consideration. As the vaccination site was expected to operate for four to six months, the Stadium Authority requested that the portion estimated to be associated with the vaccination operations be credited back based on historical usage and per the lease requirements regarding expenses for NFL sponsored events. No additional information was provided by the Stadium Manager and the Stadium Authority continues to pay half of the invoiced amount until documentation showing a credit for the vaccination site utility usage is produced.

Significant expenses in July 2021 include:

- Payments totaling \$471,802.89 to the City of Santa Clara for the following:
 - \$45,465.39 for reimbursement of General and Administrative (G&A) City payroll costs (e.g.: Executive Director's Office (City Manager's Office), Counsel's Office (City Attorney's Office), and Treasurer's Office (Finance Department))
 - \$1,337.50 for Special Liability Claims for Q1 ending 6/30/2021
 - \$425,000.00 for FY2021-22 Ground Lease Rent
- Payments totaling \$657,645.00 to Forty Niners Stadium Management Co, LLC for the following:
 - \$110,000.00 for August 2021 Stadium Manager Expenses - Insurance
 - \$180,000.00 for August 2021 Stadium Manager Expenses - SBL Sales & Services
 - \$8,300.00 for August 2021 Stadium Manager Expenses - Compensation for Grounds
 - \$21,455.00 for August 2021 Stadium Manager Expenses - Compensation for Guest Services
 - \$33,495.00 for August 2021 Stadium Manager Expenses - Compensation for Security
 - \$136,515.00 for August 2021 Stadium Manager Expenses - Compensation for Engineering
 - \$167,880.00 for August 2021 Stadium Manager Expenses - Compensation for Stadium Ops
- Payment totaling \$175.00 to Contractor Compliance and Monitoring for June 2021 Labor Compliance Services

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)(4) in that it is a fiscal activity that does not involve any commitment to any specific project which may result in a potential significant impact on the environment.

FISCAL IMPACT

There is a \$1,131,025.63 fiscal impact to the Stadium Authority.

COORDINATION

This report has been coordinated with the Stadium Authority Counsel'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 <<mailto:clerk@santaclaraca.gov>>.

RECOMMENDATION

Approve the list of Stadium Authority Bills and Claims for July 2021.

Reviewed by: Kenn Lee, Treasurer

Approved by: Deanna J. Santana, Executive Director

ATTACHMENTS

1. July 2021 SCSA Bills and Claims