

## A G E N D A



## Recommendation for Council Action (Purchasing)

Austin City Council	Item ID:	68971	Agenda Number	41.
Meeting Date:	March 23, 2017			
Department:	Purchasing			
Subject				
Authorize amendments to the contracts with AFMA INC., FACILITIES RESOURCE INC. (WBE), FURNITURE MARKETING GROUP INC., HAWORTH INC., MCCOY-ROCKFORD INC., SHELTON-KELLER GROUP INC., SOUTHERN ALUMINUM MANUFACTURING INC., SOUTHWEST SOLUTIONS GROUP INC., VANGUARD ENVIRONMENTS INC. and WORKPLACE RESOURCE LLC, to provide for the continued purchase and installation of office furniture, and extend the term by 12 months for an estimated amount of \$3,663,000, for revised total contract amounts not to exceed \$12,463,000 divided among the contractors.				
Amount and Source of Funding				
Funding in the amount of \$2,550,000 is available in the Fiscal Year 2016-2017 Operating Budget and Capital Budgets of various City departments.				
Fiscal Note				
A fiscal note is not required.				
Purchasing Language:	Contract Amendments			
Prior Council Action:	February 14, 2013 – approved original contract, item # 33.			
For More Information:	Roger Stricklin, Corporate Contract Administrator, 512-974-1727			
Boards and Commission Action:	March 8, 2017 – Recommended by the Water and Wastewater Commission on an 8-0 vote with Commissioner's Michel and Ho absent and with one vacancy. February 27, 2017 - Unanimously recommended by the Electric Utility Commission on a 9-0 vote, with two vacancies.			
Related Items:				
MBE / WBE:	This procurement was reviewed for subcontracting opportunities in accordance with City Code Chapter 2-9D Minority Owned and Women Owned Business Enterprise Procurement Program. For the goods and services required for this procurement, there were insufficient subcontracting opportunities; therefore, no subcontracting goals were established.			
Additional Backup Information				

This item is to authorize a 12-month interim extension of the current furniture contracts. During this interim period, the Purchasing Office will work with City departments to develop an enterprise strategy for furniture. Initial goals for this enterprise strategy include standardizing furniture types and styles, reducing the number of furniture manufacturers used throughout departments, increasing opportunities for local and minority and women owned businesses, and expanding sustainability elements including furniture reuse, refurbishing, and recycling.

These contracts provide for the purchase and installation of various types and models of office furniture to replace existing furniture, provide new furnishings, and support remodeling and expansion projects. These contracts will be indefinite delivery contracts and no orders will be placed until a specific need exists.

The contractors currently meet a number of sustainability attributes. Some of these standards include compliance with appropriate Leadership in Energy and Environmental Design (LEED®) criteria for indoor air contaminants, Forest Stewardship Council (FSC®) certification of wood, waste recycling, and incorporation of recycled content in products. Much of the furniture available under this contract is designed to be ecologically sound, featuring eco-design techniques for achieving sustainability such as saving materials, energy efficient manufacturing, the use of recycled contents, and utilization of recyclable content.

Facilities Resource Inc. is a certified Women-Owned Business Enterprise (WBE) with the City. Shelton-Keller Group, Inc. and Workplace Resource LLC are certified State of Texas Women Owned Historically Underutilized Business (HUB) vendors. Southwest Solutions Group, Inc. and Vanguard Environments Inc. are certified State of Texas Small Business HUB vendors. Whenever available, local vendors will be used for furniture delivery and installation services.

The Building Services Department (BSD) currently provides maintenance and support services to over 200 buildings located throughout the City. Support services consist of the purchase and installation of a variety of office furnishings, including but not limited to modular systems, seating and conference room furniture. BSD is frequently requested by other City departments to assist in the redesign of office spaces to accommodate new staff or project requirements. In order to consistently maintain the original design features, BSD must order from the furniture company that provided the current furnishings. Use of cooperatives under this contract will allow BSD to deliver timely responses to its customers.

Austin Energy's (AE) Facilities Management provides maintenance and support services to 20 separate locations. Support provided includes coordinating the purchase and installation of a variety of office furniture including modular systems, conference room and office furniture, and seating. As part of its Facilities Master Plan, AE plans to remodel and repurpose areas in several facilities which will require the purchase of modular furniture including cubicles and office furniture including desks, chairs, and shelving. When possible, AE re-uses furniture and fixtures.

The Aviation Department has several Austin-Bergstrom International Airport terminal improvements and furniture replacement projects. Aviation also plans to provide replacement parts for existing furniture. In addition, Austin Water anticipates the need to purchase auxiliary furniture products for the renovation of their information technology area and several other budgeted renovations projects.

Use of the Local Government Purchasing Cooperative administered by Texas Association of School Boards (BuyBoard), U.S. Communities Government Purchasing Alliance, and Texas Multiple Award Schedule (TXMAS) cooperatives will allow the City to compare prices among a number of firms, ensuring the best value to the City. These cooperatives establish competitively bid contracts that can be utilized by the State and other government agencies through a cooperative agreement. Cooperative agreements save taxpayer dollars by leveraging the State's volume-buying power to drive down costs on hundreds of contracts through a streamlined cooperative purchasing program. In addition, local vendors are included in the contracts and will be utilized for any installation service.

**AFMA INC., FACILITIES RESOURCE INC., FURNITURE MARKETING GROUP INC.,  
HAWORTH INC., MCCOY-ROCKFORD INC., SHELTON-KELLER GROUP INC., SOUTHERN  
ALUMINUM MANUFACTURING INC., SOUTHWEST SOLUTIONS GROUP INC., VANGUARD  
ENVIRONMENTS INC. and WORKPLACE RESOURCE LLC**

	# months	Contract Amount	Contract Amendment	Revised Amount
Original Term	12	\$ 2,000,000	n/a	\$ 2,000,000
Extension Option 1	12	\$ 1,700,000	n/a	\$ 1,700,000
Extension Option 2	12	\$ 1,700,000	n/a	\$ 1,700,000
Extension Option 3	12	\$ 1,700,000	n/a	\$ 1,700,000
Extension Option 4	12	\$ 1,700,000	n/a	\$ 1,700,000
Proposed Extension	12	\$ -	\$ 3,663,000	\$ 3,663,000
<b>TOTAL</b>	<b>72</b>	<b>\$ 8,800,000</b>	<b>\$ 3,663,000</b>	<b>\$ 12,463,000</b>