

**AGENDA**



**Recommendation for Council Action**

**AUSTIN CITY COUNCIL**  
**Regular Meeting: May 10, 2018**

Item Number: **030**

**Purchasing Office**

Authorize negotiation and execution of multi-term cooperative contracts with Haworth, Herman Miller Inc., Knoll Inc., The Hon Company, Southern Aluminum, Steelcase Inc. and Trendway and their manufacturer approved distributors, to provide furniture including installation and other related services, for up to five years for total contract amounts not to exceed \$16,446,000 divided among the contractors. (Note: 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 no subcontracting opportunities; therefore, no subcontracting goals were established).

<b>Lead Department</b>	Purchasing Office.
<b>Fiscal Note</b>	Funding in the amount of \$1,893,915 is available in the Fiscal Year 2017-2018 Operating Budget of various City departments. Funding for the remaining contract terms are contingent upon available funding in future budgets.
<b>Purchasing Language</b>	Multiple cooperative purchase programs were reviewed for these goods and services. The Purchasing Office has determined that these contractors best meet the needs of the departments to provide the goods and services required at the best value for the City.
<b>For More Information</b>	Inquiries should be directed to the City Manager’s Agenda Office, at 512-974-2991 or <a href="mailto:AgendaOffice@austintexas.gov">AgendaOffice@austintexas.gov</a> or to the buyer, Lynnette Hicks, at 512-974-3349 or <a href="mailto:Lynnette.Hicks@austintexas.gov">Lynnette.Hicks@austintexas.gov</a> .
<b>Council Committee,</b>	March 7, 2018 - Recommended by the Water and Wastewater

<b>Boards and Commission Action</b>	Commission on a 10-0 vote with Vice Chair Lee absent. March 19, 2018 - Recommended unanimously by the Electric Utility Commission on a 7-0 vote, with Commissioners Reel and Wray absent and two vacancies.
<b>Client Department(s)</b>	All City departments.

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**Additional Backup Information:**

**Purpose**

These contracts will be used by City departments to purchase office furniture and fixtures, furniture installation and related services including office relocation, remodeling and office expansion projects.

**History**

The City's previous contracts for office furniture and services were also done using various cooperative contracts. Since February of 2013, City departments have exhausted the \$12.46 million of authorization for these contracts, averaging approximately \$2.5 million per year. The authorizations for the current office furniture contracts expired on March 31, 2018. Unlike the current request, the prior authorization for office furniture included all contracts available through multiple cooperative organizations. As the result, over 20 individual contracts were utilized.

**Approach**

With direction from the City Manager's Office, the Purchasing Office facilitated a citywide review of office furniture requirements, with representation from Building Services and each of the departments with major facilities and office space. The goal this review was to develop general standards and objectives for office furniture that would meet the needs of most City departments. Major objectives included:

- Increase overall standardization by limiting the number of manufacturers and furniture lines
- Prefer furniture lines with greater environmental and sustainable elements
- Increase opportunities for furniture re-use and interoperability
- Increase the standardization of spare parts, maintenance and repairs
- Increase access to multiple local installers and servicing firms by contracting at the manufacturer level
- Improve contractor performance, contract terms and discounts by aggregating City spend under fewer contracts

After completing an extensive review of departmental furniture needs, staff identified the following manufacturers and furniture lines:

<u>Manufacturer</u>	<u>Furniture Line</u>
· Haworth	Adaptables and Unigroup Panel System
· Herman Miller Inc.	Canvas
· Knoll Inc.	Generation
· Southern Aluminum	Swirl Series
· Steelcase Inc.	Kick, Answer Panel, Leap and Privacy Walls
· The Hon Company	10700 Series
· Trendway	Capture, Trig and Intrinsic

**Contracts**

Contractors will be required to provide office furniture that is certified to meet furniture emissions standards. This standard focuses on indoor air emissions from furniture and other products. The benefits for controlling off-gas chemicals is linked to allergies, asthma and other illnesses. Sustainable office furniture can protect the health of building occupants by limiting emissions of harmful chemicals.

These contracts allow orders to be placed through the manufacturers or through any of their locally authorized resellers. Whenever available, local resellers will be utilized for furniture delivery and installation services. Local resellers for these manufacturers include:

- Austin Business Furniture, Austin, TX
- Broussard Group, Austin, TX
- Contract Furniture Services, Inc., Cedar Park, TX
- Facilities Resource, Inc. (WBE), Austin, TX
- Furniture for Business, Austin, TX
- Furniture Marketing Group, Inc., Austin, TX
- McCoy-Rockford, Inc. D/B/A Rockford Business Interiors - Austin, Austin, TX
- Office Depot, Austin, TX
- Office Edge, Austin, TX
- SKG, Austin, TX
- Staples Business Advantage, Austin, TX
- Workplace Resource LLC (HUB), Austin, TX

Use of cooperative agreements saves taxpayer dollars by leveraging large volume buying power to drive down costs on hundreds of contracts through a streamlined process. The requested authorization amount for these contracts is based on historic spending as well as upcoming planned projects. The actual spend will be based on the approved budget of each department each fiscal year.

<b>Contract Terms</b>	<b>Length</b>	<b>Authorization Amt.</b>
Initial Term	1 yr.	\$ 3,897,900
Optional Extension 1	1 yr.	\$ 3,311,900

Optional Extension 2	1 yr.	\$ 3,444,900
Optional Extension 3	1 yr.	\$ 2,944,400
Optional Extension 4	1 yr.	\$ 2,846,900
<b>TOTAL</b>	<b>5 yrs.</b>	<b>\$16,446,000</b>

**Note:**Contract Authorization amounts are based on the City’s estimated annual usage

**Oversight**

While the Purchasing Office will administer these contracts, general oversight of the City’s office furniture needs will be led by the Building Services Department (BSD). BSD currently provides maintenance and support services to over 200 buildings located throughout the City. Support services include assisting with the purchase and installation of office furniture, including but not limited to, modular systems, seating, and conference room furniture. BSD is frequently requested to assist City offices to redesign office spaces to accommodate new staff or project requirements. To maintain the original design features and for consistency, BSD must order from the same furniture company. These contracts will allow the BSD to be more efficient in delivering timely responses to its customers.

**Upcoming Purchases**

The Austin Public Library anticipates the need to purchase auxiliary furniture products for the new Central Library and for library renovations budgeted under the recent bond project. Austin Energy’s Facilities Management provides maintenance and support services to 20 separate locations. As part of its Facilities Master Plan, Austin Energy plans to remodel and repurpose areas in several facilities which will require the purchase of modular furniture including cubicles and office furniture such as desks, chairs, and shelving. When possible, Austin Energy re-uses furniture and fixtures in its existing inventory. Aviation has scheduled Austin-Bergstrom International Airport Terminal improvements and furniture replacement projects and plans to use these contracts to provide replacement parts for existing furniture.