



## MEMORANDUM

**TO:** Mayor and Council

**FROM:** James Scarboro, Purchasing Officer

**DATE:** June 17, 2019

**SUBJECT:** Clarification of Item No. 68, on the June 20, 2019 Agenda  
Rental of Office Furniture for the Development Services Department

Item No. 68 on the June 20, 2019 Council Agenda is to authorize the award of a multi-term contract with Texas Office Products & Supply, LLC, to provide the rental of office furniture for the Development Services Department, for up to three years for a total amount not to exceed \$472,560. This item was postponed from the June 6, 2019 Agenda, in order to address questions raised by Council. This memo contains additional clarifications regarding the recommended contract in response to Council's questions.

### **The Recommended Contract.**

The recommended contract will provide for the rental of office furniture for Development Services Department (DSD) employees located at their One Texas Center and Ben White locations. The contract will allow DSD to continue renting office furniture and receiving related services until the completion of the new Planning and Development Center building, which is currently scheduled for occupancy in Spring 2020. This contract will allow DSD to phase out their use of the rental furniture as DSD staff transition to the new facility – removing rental furniture and reducing the contract charges incrementally through the completion of the move.

The requested contract will include a base term of one year, valued at \$157,520, which will cover all rental furniture and services through the estimated move-in date for the new facility. In the event there are any unforeseen delays or additional services needed prior to and during the move, the item also includes two optional extensions valued at \$315,040 total. These optional extensions are precautionary and will only be used if needed. If Council prefers to only approve the initial term and amount, staff can return at a later date if necessary, to request authorization of any of the optional extensions.

### **Background and the Existing Contract.**

On August 17, 2017 Council authorized the purchase of a property located at the southwest corner of Middle Fiskville Road and Highland Mall Boulevard, to become the City's new Planning and Development Center. Once this new property is ready, it will house staff from the Planning and

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Zoning and Development Services departments. When it is opened and ready for occupancy, the Planning and Development Center building will include new office furniture.

In June of 2018, DSD began its preparations for the move by consolidating several employees from five different work locations into a newly leased and unfurnished space located at 5202 Ben White Blvd. Instead of purchasing new furniture for this space, DSD opted to rent used office furniture until the new Planning and Development Center was ready. To accommodate DSD's needs, the Purchasing Office solicited and awarded an informal contract with Texas Office Products & Supply, LLC, for rental furniture, in an amount not to exceed \$50,000 (within the City Manager's contract authority).

Later, during the Fiscal Year 2018-2019 budget adoption process, Council approved the addition of 52 new employees for DSD. Throughout the Fall and the Winter of 2019, these new employees were hired and were moved into DSD's offices within the One Texas Center and their temporary Ben White location. To accommodate these new employees, DSD used their existing rental furniture contract (from above) to reconfigure the installed furniture and to add additional rental furniture. The additional rental furniture and reconfiguration services to accommodate the new employees exhausted the rental furniture contract's spending authority much faster than was initially anticipated. As DSD will continue to need rental furniture through the completion and their move into the new Planning and Development Center, DSD and the Purchasing Office determined that a larger and possibly a longer-term contract was needed.

On March 4, 2019, the Purchasing Office issued an Invitation for Bids (IFB) to establish a new rental furniture contract for DSD. After staff extended the solicitation's due date and provided additional notices to prospective offerors, one bid was received. The single bid received was from Texas Office Products & Supply, LLC, the same contractor currently providing rental furniture to DSD. Staff evaluated the bid and determined it was responsive to the solicitation's specifications and that the pricing was reasonable based on comparisons to past contracts.

The item currently before Council is to authorize a new contract with Texas Office Products & Supply, LLC, to provide rental office furniture for DSD staff located at their One Texas Center and Ben White locations. Although the requested contract happens to be with the same company, it is unrelated to and will have separate authorization from the existing contract.

The Purchasing Office and the Development Services Department are happy to answer any further questions you may have in this regard.

**cc: Spencer Cronk, City Manager**  
**Elaine Hart, Deputy City Manager / Chief Financial Officer**  
**Rodney Gonzales, Assistant City Manager**  
**Greg Canally, Deputy Chief Financial Officer**  
**Denise Lucas, Interim Director**  
**Shawn Willett, Deputy Procurement Officer**