



Recommendation for Action

File #: 18-4050, **Agenda Item #:** 24.

2/7/2019

Posting Language

Authorize negotiation and execution of multi-term cooperative contracts for furniture, including installation and other related services, with Arconas Corporation, Davis Furniture, Herman Miller Inc., Knoll Inc., Mayline, Janus et Cie, Keilhauer, Steelcase, and various other manufacturers and their approved distributors, for up to five years for total contract amounts not to exceed \$16,550,000 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).

Lead Department

Purchasing Office.

Client Department(s)

Aviation.

Fiscal Note

Funding in the amount of \$1,750,000 is available in the Fiscal Year 2018-2019 Operating Budget of Aviation. Funding in the amount of \$4,312,500 is available in the Fiscal Year 2018-2019 Capital Budget of Aviation. Funding for the remaining contract terms are contingent upon available funding in future budgets.

Purchasing Language:

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.

For More Information:

Inquiries should be directed to the City Manager's Agenda Office, at 512-974-2991 or AgendaOffice@austintexas.gov <<mailto:AgendaOffice@austintexas.gov>> or to Mike Zambrano, at 512-974-3130 or Mike.Zambrano@austintexas.gov <<mailto:Mike.Zambrano@austintexas.gov>>.

Council Committee, Boards and Commission Action:

January 8, 2019 - Recommended by the Airport Advisory Commission on an 8-0 vote, with Commission Members Walewski, Tegeler, and Owens absent at this vote.

Additional Backup Information:

The City seeks to develop multi-term cooperative contracts to purchase furnishings for the airport terminal, including the expansion project and for four new and renovated building capital improvement program (CIP) projects located on the airport campus. In addition to the purchase of furniture, the contract will include

installation and other services required to deliver the required furniture.

The City has existing contracts for the purchase and installation of furniture, however they did not contemplate projects of this size, so this request is being made separately. Aviation staff performed a review of furniture purchased for the airport terminal to identify the public furniture to be installed as part of the terminal expansion project as well as anticipated office furniture manufacturers and product lines for the four upcoming CIP projects.

Contractors will provide office furniture that is certified to meet furniture emissions standards that focus on reducing indoor air emissions from furniture and furniture related products. Sustainable office furniture can protect the health of building occupants by limiting emissions of harmful chemicals which have been linked to allergies, asthma and other illnesses.

These contracts allow orders to be placed directly 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:

- Workplace Resource LLC (HUB), Austin, TX
- SKG, Austin, TX
- McCoy-Rockford, Inc. D/B/A Rockford Business Interiors-Austin, Austin, TX

Additional resellers may be added to accommodate future airport projects and prevent a backlog of orders.

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 departments approved budget each fiscal year.

Contract Detail:

<u>Contract Term</u>	<u>Length of Term</u>	<u>Contract Authorization</u>
Initial Term	2 yrs.	\$10,500,000
Optional Extension 1	1 yr.	\$ 1,950,000
Optional Extension 2	1 yr.	\$ 2,000,000
Optional Extension 3	1 yr.	\$ 2,100,000
TOTAL	5 yrs.	\$16,550,000

Note: Contract Authorization amounts are based on the City's estimated annual usage.