



## Recommendation for Action

**File #:** 23-2269, **Agenda Item #:** 40.

7/20/2023

### **Posting Language**

Authorize negotiation and execution of eight contracts for installation and related services of furniture and manufactured products from Haworth, Inc.; Herman Miller, Inc.; The Hon Company; Knoll; Steelcase, Inc.; Southern Aluminum Manufacturing Acquisition, Inc.; National Office Furniture; SitOnIt; and Trendway Corporation; with AFMA, Inc. d/b/a Core Office Interiors; Workplace Resources LLC d/b/a Alfred Williams and Company; McCoy-Rockford, Inc. d/b/a Rockford Business Interiors, Inc.; Furniture Marketing Group, Inc.; Facilities Resource, Inc.; Shelton-Keller Group, Inc. d/b/a SKG; Southern Aluminum Manufacturing Acquisition, Inc.; and Bret Broussard, Inc. d/b/a Broussard Group; each for up to five years for total contract amounts not to exceed \$34,000,000, 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**

Financial Services Department.

### **Client Department(s)**

All City Departments.

### **Fiscal Note**

Funding in the amount of \$1,341,369 is available in the Fiscal Year 2022-2023 Operating Budget of various City departments. Funding for the remaining contract term is contingent upon available funding in future budgets.

### **Purchasing Language:**

Multiple cooperative purchase programs were reviewed for these goods and services. The Financial Services Department has determined these contractors best meet the needs of the client departments to provide the goods and services required for the City.

### **For More Information:**

Direct questions regarding this Recommendation for Council Action to the Financial Services Department - Central Procurement at: [FSDCentralProcurementRCAs@austintexas.gov](mailto:FSDCentralProcurementRCAs@austintexas.gov) or [512-974-2500](mailto:FSDCentralProcurementRCAs@austintexas.gov).

### **Additional Backup Information:**

These contracts will provide all City departments with the continued ability to purchase new office furniture, installation and related services including furniture storage, cleaning, relocation, remodeling, design, and office expansion projects. Though the economic environment has changed, the need remains for City departments to replace furniture that is worn and/or broken, and furniture for future projects.

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The City's Strategic Facilities Governance Team (SFGT) oversees the review and evaluation of any requests for City departments to move into new space, remodel existing space, any new construction, or furniture acquisitions/upgrades estimated to cost \$15,000 or more. Accordingly, any department that requests to utilize these contracts for an amount of \$15,000 or more will require SFGT review and approval

These contracts will replace the existing furniture contracts that are set to expire on December 18, 2023. As of May 23, 2023, \$1,336,021 of authorization remains on the current contracts. Funding is based on historical spend and departmental estimates. The recommended contractors are the current providers for these goods and services.

These contracts will provide goods and services from eight manufacturers: Haworth, Inc., Herman Miller, Inc., The Hon Company, Knoll, Steelcase, Inc., Southern Aluminum Manufacturing Acquisition, Inc., National Office Furniture, SitOnIt, and Trendway Corporation. These manufacturers represent the City's desire to standardize furniture across City departments. These contracts will be largely limited to office furniture meeting the City's sustainability objectives. Contractors will be required to provide office furniture that is certified to meet furniture emissions standards.

OMNIA Partners, the Texas Association of School Boards, Inc. (Buyboard), and Minnesota Service Cooperative (Sourcewell) are cooperative purchasing associations recognized under Texas procurement statutes. Cooperative associations, themselves or using a lead government, competitively solicit and award contracts that are eligible for use by other qualified state and local governments. Due to their substantial volumes, larger than any one government could achieve independently, cooperative contracts routinely include superior terms, conditions, and pricing. Use of cooperative contracts also results in lower administrative costs and time savings.

If these contracts are not secured, City departments will have no means to purchase, design, and install office furniture and establish work environments for ongoing, new, and future department projects not yet foreseen.

**Contract Detail:**

<b><u>Contract Term</u></b>	<b><u>Length of Term</u></b>	<b><u>Contract Authorization</u></b>
Initial Term	1 yr.	\$ 6,800,000
Optional Extension 1	1 yr.	\$ 6,800,000
Optional Extension 2	1 yr.	\$ 6,800,000
Optional Extension 3	1 yr.	\$ 6,800,000
Optional Extension 4	1 yr.	\$ 6,800,000
<b>TOTAL</b>	<b>5 yrs.</b>	<b>\$34,000,000</b>

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