




TO: Board of Contracts and Awards
FROM: Patsy Best, Interim Procurement and Payables Manager, Finance/Purchasing 
Marie Holm, Senior Buyer, Finance/Purchasing
COPY: City Council, City Manager, City Clerk, SBE Coordinator, LEAP Coordinator, and
Andrew Cherullo, Finance Director
SUBJECT: Office and Ancillary Furniture City wide Contract
U.S. Communities Government Purchasing Alliance, Request for Proposals No.
2000000330, Contract No. 4400003403 – April 28, 2015
DATE: April 14, 2015

SUMMARY:

The Finance Department, Purchasing Division recommends a citywide contract be awarded to Business Interiors Northwest (BINW), Tacoma, WA, in the amount of \$2,000,000 plus sales tax for the purchase of Herman Miller furniture and services as needed through the next five years. The \$2,000,000, plus sales tax, is intended to cover 2015 through 2020 furniture and services purchases.

STRATEGIC POLICY PRIORITY:

State and briefly explain which strategic policy priority is best aligned to this action. Please remove the statements below you are not directly addressing.

- Encourage and promote an open, effective, results-oriented organization.

This contract has aggressive fixed discounts and is widely used by many departments within the City.

BACKGROUND:

In 2010, a Request for Proposals was released and three contracts were awarded to allow continued standardization of furniture and to offer new options for furniture. Several City departments and divisions, particularly Tacoma Public Utilities, have standardized to Herman Miller office furniture usage, providing interchangeability of new and existing furniture as spaces are reconfigured to meet City needs. Business Interiors Northwest is the authorized local distributor for Herman Miller furniture.

ISSUE: The current citywide contract expires with no options to renew. This contract allows for the continuation of purchases for Herman Miller furniture, work station design and installation services used by various City departments as needed.

ALTERNATIVES: The alternative course of action would be to issue a new solicitation for Herman Miller furniture. Because Business Interiors Northwest is the local authorized distributor, we would only receive one submittal. Business Interiors Northwest may not be able to offer the City the discount structure available from the U.S. Communities Government Purchasing Alliance contract because that contract is based on volume purchases. Establishing a contract with BINW through U.S. Communities ensures the City will receive aggressive contract pricing.

COMPETITIVE SOLICITATION: U.S. Communities Government Purchasing Alliance Contract No. 4400003403 (issued per Request for Proposals No. 2000000330) is a competitively solicited contract valid until December 31, 2016 with options of four (4) one (1) year extensions and includes Herman Miller furniture and services. The County of Fairfax, Virginia, was the lead agency issuing the solicitation on behalf of U.S. Communities Government Purchasing Alliance. Sixteen submittals were received on July 26, 2012. This contract meets Tacoma's competitive solicitation requirements by means of an interlocal cooperative purchasing agreement with U.S. Communities Government Purchasing Alliance.



COMPETITIVE ANALYSIS: The contract offers discount tiers for volume purchases, various delivery options, best price guarantee, no minimum purchase requirement, an extensive sustainable furniture portfolio and no cost to use the contract. The discount structure is better than the City's expiring citywide contract, as it is based on national contract volume of \$300 million annually. Business Interiors Northwest, located in Tacoma, WA, is the exclusive Herman Miller authorized distributor in our area. The contract language allows City of Tacoma to incorporate its own standard terms and conditions, including payment by procurement card.

CONTRACT HISTORY: New contract.

SUSTAINABILITY: Herman Miller continues to design products with consideration to how it impacts the environment and offers an extensive sustainable furniture portfolio.

SBE/LEAP COMPLIANCE: Not applicable.

RECOMMENDATION:

The Finance Department, Purchasing Division recommends a contract be awarded to Business Interiors Northwest (BINW) to continue supporting Herman Miller furniture needs to city departments.

FISCAL IMPACT:

EXPENDITURES:

FUND NUMBER & FUND NAME *	COST OBJECT (CC/WBS/ORDER)	COST ELEMENT	TOTAL AMOUNT
Various department funds			\$2,000,000
TOTAL			

* General Fund: Include Department

REVENUES:

FUNDING SOURCE	COST OBJECT (CC/WBS/ORDER)	COST ELEMENT	TOTAL AMOUNT
TOTAL			

FISCAL IMPACT TO CURRENT BIENNIAL BUDGET: \$400,000

ARE THE EXPENDITURES AND REVENUES PLANNED AND BUDGETED? Yes