



January 8, 2020

To: Finance and Administration Committee

From: Darrell E. Johnson, Chief Executive Officer

Subject: Agreement for the Purchase of Modular Systems and Ancillary Furniture

Overview

In October 2019, the Orange County Transportation Authority issued an invitation for bids for the purchase, installation, reconfiguration, and maintenance of modular systems and ancillary furniture. Staff is requesting approval to execute a purchase order for needed modular systems and ancillary furniture.

Recommendation

Authorize the Chief Executive Officer to negotiate and execute Purchase Order No. C-9-1652 between the Orange County Transportation Authority and Western Office, in the amount of \$990,000, to provide services for the purchase of modular systems and ancillary furniture for a two-year term.

Discussion

The Orange County Transportation Authority (OCTA) administrative offices relocated to its current location in 1993. At that time, existing modular furniture was purchased to fit the new building configuration to accommodate staff, and some conference room tables, chairs, and desk chairs were transferred from the former administrative offices.

OCTA's current furniture product is over 26 years old and no longer complies with today's ergonomic and environmental workplace standards. The majority of electrical components housed inside the panel systems are showing significant signs of aging. As of February 2019, the current furniture model was discontinued and OCTA is now limited in its ability to make ergonomic changes to existing layouts given the limited number of replacement parts available.

This request is two-fold and includes funds to replace the furniture in nineteen conference rooms to include new technology tables and seating at the

Administration building and Garden Grove Maintenance and Annex buildings. The balance of the funds will be used to begin a phased approach to replace the office panel system at the Administrative building on a floor-by-floor basis. OCTA anticipates the replacement of the furniture for the nineteen conference rooms to be approximately \$751,200. It is anticipated that the cost to replace panels and electrical components for each floor will be approximately \$100,000 per floor. The balance of the funds from this procurement will allow OCTA to replace the panel systems and electrical components for two floors, which would be completed over a one to two-year time period.

As OCTA purchases new panel systems, it is anticipated that the majority of existing work surfaces and storage units will continue to be used. Only those work surfaces and storage units that show significant signs of wear will be replaced. The new proposed panel system meets current Americans with Disabilities Act requirements, which call for electrical components to be located at the desk or surface level, making the setup of computers or electrical equipment ergonomically compliant. As the current systems are replaced, the existing furniture will be sold as surplus.

Staff anticipates budgeting the replacement of the panels and electrical components for the remaining floors beginning in fiscal year 2021-22. It is anticipated that it will take four years to complete the replacement of the panels and electrical components for the remaining eight floors.

Procurement Approach

This procurement was handled in accordance with OCTA's Board of Directors (Board)-approved procedures for materials and equipment greater than \$50,000. These procedures, which conform to both federal and state requirements, are used when minimum requirements can be clearly specified and, therefore, the lowest price is the only criterion for choosing among the bidders who are responsive and responsible after a sealed bid process.

On October 10, 2019, Invitation for Bids (IFB) 9-1652 was issued electronically on CAMM NET. The project was advertised on October 10 and 16, 2019, in a newspaper of general circulation. On October 30, 2019, one bid was received and publicly opened.

The bid was reviewed by staff from Contracts Administration and Materials Management (CAMM) and General Services departments to ensure compliance with legal requirements and technical specifications. The bidder and bid amount is presented below:

<u>Firm and Location</u>	<u>Bid Amount</u>
Western Office Los Angeles, California	\$990,000

In accordance with OCTA procurement policies and procedures, a single bid received for a procurement over \$50,000 requires the OCTA Internal Audit Department to conduct a review to determine if there was adequate competition. In addition, CAMM contacted several vendors from the bid list to inquire why they did not submit bids. The firms stated that they did not submit a bid due to several reasons, which include: some firms not having the resources needed for this project, some companies no longer in business, and others were not able to provide competitive pricing.

Western Office, the incumbent vendor, is providing OCTA with fair and reasonable pricing, based on historical, as well as current contract rates for similar products and services.

The purchase order will be for a two-year term with a not-to-exceed amount of \$990,000. The IFB requires award to the lowest responsive, responsible bidder. As such, staff recommends award to Western Office.

Fiscal Impact

The project is included in OCTA's proposed Fiscal Year 2019-20 Budget, Finance and Administration Division, General Services, Accounts 1290-A5310-1NX-7611 and 1290-A0001-1P3-7662, and is funded through the General Fund.

Summary

Based on the information provided, staff recommends the Board authorize the Chief Executive Officer to negotiate and execute Purchase Order No. C-9-1652 with Western Office in the amount of \$990,000 for the purchase, installation, reconfiguration, and preventative maintenance of systems and ancillary furniture.

Attachment

None.

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