

Date: March 27, 2019**To:** Board of Directors**From:** Doug Kelsey **Subject:** **RESOLUTION 19-03-16 OF THE TRI-COUNTY METROPOLITAN
TRANSPORTATION DISTRICT OF OREGON (TRIMET)
AUTHORIZING A CONTRACT MODIFICATION WITH HERMAN
MILLER, INC., FOR SYSTEMS FURNITURE AND ANCILLARY
SERVICES**

1. Purpose of Item

This Resolution requests the TriMet Board of Directors (“Board”) to authorize the General Manager to execute a contract modification with Herman Miller, Inc., (“Herman Miller”) for Systems Furniture and Ancillary Services (“Services”).

2. Type of Agenda Item

- Initial Contract
 Contract Modification
 Other _____

3. Reason for Board Action

Board authorization is required for all goods and services contracts obligating TriMet to pay in excess of \$1,000,000.

4. Type of Action

- Resolution
 Ordinance 1st Reading
 Ordinance 2nd Reading
 Other _____

5. Background

TriMet’s Facilities department is responsible for purchasing office furniture for the Agency. This furniture includes cubicle walls, storage units, chairs and other furnishings, as well as installation services. In 2014, while TriMet was in the process of moving to Harrison Square, TriMet staff began considering how to meet these furniture and installation needs on an on-going basis.

At approximately the same time, U.S. Communities (nka Omnia Partners), a national cooperative public sector purchasing organization of which TriMet is a member, had selected

Herman Miller as a furniture vendor. Because a competitive, public procurement process had been conducted by U.S. Communities / Omnia, TriMet staff determined that entering into a “piggyback” contract with Herman Miller was prudent and cost-effective, and would best meet the needs of the Agency for the foreseeable future.

TriMet’s initial contract with Herman Miller was for \$50,000, but subsequent modifications have raised the total contract authority to \$999,999. Over the life of the contract, these modifications have been necessary due to Agency expansion and growth of our workforce. A recent purchase of office furniture for tenant improvements currently being constructed for TriMet on the 1st floor of Harrison Square has nearly exhausted the funds available under the current contract. Unless modified, the Herman Miller contract will expire December 31, 2020.

The proposed modification of the Herman Miller contract will increase the amount from \$999,999 to \$1,359,326. This revised total reflects anticipated needs of the Agency through the end of the December 31, 2020, contract period. Because the revised total contract amount is more than \$1,000,000.00, Board authorization is required.

6. Procurement Process

As described above, TriMet initially procured this contract by piggybacking on a competitive public procurement process conducted by U.S. Communities / Omnia, a cooperative public purchasing organization of which TriMet is a member.

7. Financial/Budget Impact

The Services are within the FY2019-2020 budget for Maintenance Operations.

8. Impact if Not Approved

Staff is satisfied with Herman Miller’s work under its contract to date, and recommends this contract modification. Should the Board not approve the Resolution, the goods and services can be re-procured, but doing so would delay obtaining currently needed goods and services, as well as the scheduled move of several Divisions to the 1st Floor of Harrison Square. Because the original contract was obtained via a competitive public procurement process, re-procuring will not likely result in better pricing or a more qualified vendor.

RESOLUTION 19-03-16

**RESOLUTION 19-03-16 OF THE TRI-COUNTY METROPOLITAN
TRANSPORTATION DISTRICT OF OREGON (TRIMET) AUTHORIZING A
CONTRACT MODIFICATION WITH HERMAN MILLER, INC., FOR
SYSTEMS FURNITURE AND ANCILLARY SERVICES**

WHEREAS, TriMet has authority under ORS 267.200 to enter into a contract modification with Herman Miller, Inc., for Systems Furniture and Ancillary Services; and

WHEREAS, the total amount of the current Contract is \$999,999; and

WHEREAS, the total amount of the modified Contract exceeds \$1,000,000; and

WHEREAS, the TriMet Board of Directors (“Board”), by Resolution dated October 25, 2017, adopted a Statement of Policies requiring the Board to approve goods and services contracts obligating TriMet to pay in excess of \$1,000,000;

NOW, THEREFORE, BE IT RESOLVED:

1. That the modified Contract shall conform with applicable laws.
2. That the General Manager is authorized to execute the modification to increase the not-to-exceed amount of the Contract to \$1,359,326, through the December 31, 2020, date of the Contract’s expiration.

Dated: March 27, 2019

Presiding Officer

Attest:

Recording Secretary

Approved as to Legal Sufficiency:



Legal Department