

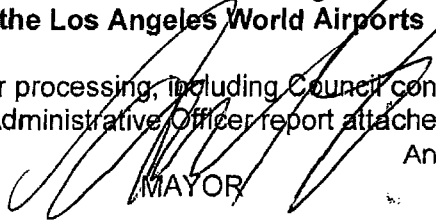
0150-10860-0000

TRANSMITTAL

TO Deborah Flint, Chief Executive Officer Department of Airports	DATE NOV 30 2016	COUNCIL FILE NO.
FROM The Mayor	COUNCIL DISTRICT 6, 11	

**Request to Approve a Second Amendment to Contract with Haworth, Inc.
for the Purchase of Office Furniture and Design and Installation Services
at the Los Angeles World Airports**

Transmitted for further processing, including Council consideration. See the
City Administrative Officer report attached.


MAYOR
Ana Guerrero

MAS:WDC: 10170058t

REPORT FROM

OFFICE OF THE CITY ADMINISTRATIVE OFFICER

Date: November 29, 2016

CAO File No. 0150-10860-0000

Council File No.

Council District: 6, 11

To: The Mayor

From: Miguel A. Santana, City Administrative Officer *MSK
RW*

Reference: Communication from the Los Angeles World Airports dated November 21, 2016; referred by the Mayor for report on November 23, 2016

Subject: **REQUEST FOR APPROVAL OF A SECOND AMENDMENT TO CONTRACT WITH HAWORTH, INC. FOR THE PURCHASE OF OFFICE FURNITURE AND DESIGN AND INSTALLATION SERVICES AT THE LOS ANGELES WORLD AIRPORTS**

RECOMMENDATIONS

That the Mayor:

1. Approve the Second Amendment to Contract DA-4780 between the Los Angeles World Airports and Haworth, Inc. to extend the existing term by one year to December 31, 2017, add three one-year renewal options (for a total of four years), and increase the contract authority by a not-to-exceed amount of \$2,235,000 to cover the maximum four-year term for various projects at LAX and Van Nuys Airports, subject to compliance with the City's Standard Provisions for Contracting, including the Living Wage Ordinance, Affirmative Action Program, Child Support Obligations Ordinance, Contractor Responsibility Program, Equal Benefits Ordinance, First Source Hiring Program, and the Bidder Contributions CEC (City Ethics Commission) Form 55 pertaining to the City's contract bidder campaign contribution and fundraising restrictions, and City Attorney approval as to form;
2. Authorize the Chief Executive Officer of the Los Angeles World Airports to execute the proposed Second Amendment; and
3. Return the Second Amendment to the Los Angeles World Airports for further processing, including Council consideration.

SUMMARY

The City of Los Angeles has, for several years, participated in the U.S. Communities National Purchasing program (also known as U.S. Communities Government Purchasing Alliance). The program (cooperative) was established in 1996 as a partnership between the Association of School Business Officials, the National Association of Counties, the National Institute of Governmental Purchasing, the National League of Cities, and the United States Conference of Mayors. As a

supplier to the cooperative, Haworth has been used by the Department of Water and Power since 2007 and determined by that Department to be a satisfactory supplier of office furniture systems.

The Los Angeles World Airports (LAWA; Department) purchases office furniture and design and installation services from office furniture supplier, Haworth, Inc. (Haworth), at a 60 percent volume-purchase discount using a competitively-bid government purchasing agreement with the U.S. Communities Government Purchasing Alliance.

The Department's existing three-year contract with Haworth will expire on December 31, 2016. Consequently, the LAWA Executive Director requests approval to execute a Second Amendment to Contract DA-4780 with Haworth (based upon the U.S. Communities Purchase Agreement No. 4400003402) to modify the contract to (1) extend the term by one year to December 31, 2017, (2) add three one-year renewal options (for a total of four years), and (3) increase the contract authority by a not-to-exceed amount of \$2,235,000 to cover the maximum four-year term. The purpose for continuing the Haworth contract is to maintain LAWA's ability to purchase office furniture and related design and installation services for terminal renovations, new and expanded offices, and replacement of existing furniture for various projects at LAX and Van Nuys Airports. The Haworth ergonomic modular office furniture helps to improve workspace usage and productivity, decrease absenteeism, and reduce workers' compensation premiums.

The initial contract—for one year with two one-year extensions (for a total of three years)—was approved by the Board of Airport Commissioners (Board) in December 2012. In May 2015, the First Amendment was approved increasing the initial contract authority to a not-to-exceed amount of \$2,635,000. When combined, the First and Second amendments will provide for a total not-to-exceed contracting authority of \$4,870,000. Of the first allocation of \$2,635,000, as of September 2016, approximately \$2,200,000 had been expended for office furniture and design and installation services.

The proposed Second Amendment was approved by the Board at its meeting of November 17, 2016.

FISCAL IMPACT STATEMENT

Approval of the Second Amendment with Haworth, Inc. will have no impact on the City's General Fund. Funding for this Amendment, from a combination of operating and capital funds, is available in the Department's 2016-17 Operating Budget and may also be provided from other Board of Airport Commissioners-approved appropriations. Related costs will be recovered through landing fees, terminal rates and charges, and non-aeronautical revenues. Operating expenses will be recovered immediately. Capital costs will be capitalized and recovered when the projects are placed in service. This project complies with the Department of Airports' adopted Financial Policies.