



Board Report

File #: 2025-0071, File Type: Contract

Agenda Number: 23.

OPERATIONS, SAFETY, AND CUSTOMER EXPERIENCE COMMITTEE MARCH 20, 2025

SUBJECT: METRO AGENCYWIDE FURNITURE AND MOVING SERVICES

ACTION: AWARD CONTRACT

RECOMMENDATION

AUTHORIZE the Chief Executive Officer to award a five-year, Indefinite Delivery/Indefinite Quantity (IDIQ) Contract No. PS125302000, for furniture, space planning, and installation services, to M3 Office, Inc., for a Not-to-Exceed (NTE) amount of \$3,475,000.00 for the three-year base period and \$1,075,000.00 for each of the two, one-year options, for a combined total of \$5,625,000.00 effective April 1, 2025, subject to the resolution of any properly submitted protest(s), if any.

ISSUE

This Contract is for a full-service Herman Miller furniture dealer to provide furniture, space planning, and installation services for all Metro facilities, including new operating facilities and the Gateway Headquarters building. The current Metro furniture, space planning, and installation services contract will expire on March 31, 2025.

BACKGROUND

The initiation of a Herman Miller furniture contract was for the original opening of the Gateway building in 1994. Since that time there have been numerous furniture procurements to continue to provide furnishings for the ebb and flow of growth at Metro.

The previous contract was awarded to M3 Office Inc by the Board at its meeting in May 2017 for a three-year contract in the amount of \$5,000,000 with two one-year options of \$1,000,000 each. Both options one and two were modified in 2019. Contract Modification Authority was granted for \$500,000 in March of 2022. Due to a failed procurement there was an extension and an additional \$1,500,000 was authorized to allow for the continued furniture needs while a new procurement could be initiated. Then in November 2024 the most current non-monetary extension was granted which extended the life of the contract to expire March 31, 2025.

DISCUSSION

Herman Miller systems furniture for cubicles and offices form the core of this procurement. Facilities

Maintenance continually reconfigures cubicles and offices in Metro buildings and divisions to meet ever-changing business needs. For example, the existing contract was used to furnish Bus Division 9, the Metro Transit Training and Innovation Center, and the New Emergency Security Operation Center (ESOC).

The new contract includes the implementation of new space standards to accommodate additional staff required for service expansion. These reconfigurations require various furniture components that must work seamlessly with our existing inventory of furniture and are readily available. This Contract will be utilized to buy new and replacement Herman Miller furniture components to support the requirements.

This procurement also includes space planning and move services. This is to augment the in-house capabilities if the need arises to restack the Gateway building as staff re-populate the building due to office space needs. These services have been included in the contract to be able to plan for large scale staffing changes, for instance the TCPSD group. Ambassadors and others. Also, these changes will allow Metro to quickly respond to any changes in the workforce due to upcoming large events.

DETERMINATION OF SAFETY IMPACT

This Contract will positively impact safety as new ergonomic furniture is introduced in response to employee-specific health and safety concerns. A workspace designed with safety in mind helps prevent common workplace injuries <<https://www.who.int/tools/occupational-hazards-in-health-sector/occupational-injuries>> such as repetitive strain, slips, falls, or ergonomic-related issues. Additionally, an ergonomically designed workspace directly impacts productivity.

FINANCIAL IMPACT

The funding of \$300,000 for the Gateway Headquarters building is included in the FY25 budget in cost center number 6430 (Building Services) under project number 100090 (Gateway Building Costs). Since this is a multi-year contract, the cost center manager and Deputy Chief Operations Officer will be accountable for budgeting costs in future years. Please note that funding for furniture is also budgeted in various cost centers and operating and capital projects through Metro, as other departments that make use of this Contract will be responsible for the budgeting of these costs for their respective cost center(s).

Impact to Budget

Partial funding for this project is allocated through General Overhead funding, which is based on Metro's federally approved indirect-cost allocation plan, which distributes costs agency-wide. The remaining funding for this project will come from the Enterprise Fund, as Departments using this Contract will use their budgeted funds. No other funds were considered, as these fund sources are an appropriate use for these activities.

EQUITY PLATFORM

The Diversity and Economic Opportunity Department (DEOD) established an overall 8% Disadvantaged Business Enterprise (DBE) goal for this procurement. M3, Inc., a DBE firm, met the goal by making an overall 8% DBE commitment.

Securing the furniture contract will help create a more inclusive and accessible workspace for employees of diverse backgrounds and abilities. The contract will also enable the provision of new ergonomic furniture, potentially enhancing employee comfort and productivity across all demographics at all facilities. This improvement could lead to greater job satisfaction and retention of diverse talent, supporting Metro's commitment to diversity and equal opportunities across departments.

VEHICLE MILES TRAVELED OUTCOME

VMT and VMT per capita in Los Angeles County are lower than national averages, the lowest in the SCAG region, and on the lower end of VMT per capita statewide, with these declining VMT trends due in part to Metro's significant investment in rail and bus transit.* Metro's Board-adopted VMT reduction targets align with California's statewide climate goals, including achieving carbon neutrality by 2045. To ensure continued progress, all Board items are assessed for their potential impact on VMT.

As part of these ongoing efforts, this item is expected to contribute to further reductions in VMT. While this item does not directly encourage taking transit, sharing a ride, or using active transportation, it is a vital part of Metro operations, as it will increase accessibility, comfort, and productivity in workspaces across LA Metro. Because the Metro Board has adopted an agency-wide VMT Reduction Target, and this item supports the overall function of the agency, this item is consistent with the goals of reducing VMT.

*Based on population estimates from the United States Census and VMT estimates from Caltrans' Highway Performance Monitoring System (HPMS) data between 2001-2019.

IMPLEMENTATION OF STRATEGIC PLAN GOALS

This Board action also supports Strategic Goal 5, which is to provide responsive, accountable, and trustworthy governance within the Metro organization. Ensuring that all employees have a more inclusive and accessible workspace, including a provision of new ergonomic furniture for all Metro facilities.

ALTERNATIVES CONSIDERED

Staff have considered the following alternatives; however, they are not recommended.

- A. Purchase furniture on a yearly basis. This alternative is more costly to Metro and is not recommended.
- B. Require each department and project to purchase furniture and space planning/installation services directly with multiple vendors through multiple procurement actions. This alternative is more costly to Metro and is not recommended.

NEXT STEPS

Upon Board approval, staff will execute Contract No. PS125302000 with M3 Office, Inc. for furniture, space planning, and installation services and facilitate the transition to the new contractor.

ATTACHMENTS

Attachment A - Procurement Summary

Attachment B - DEOD Summary

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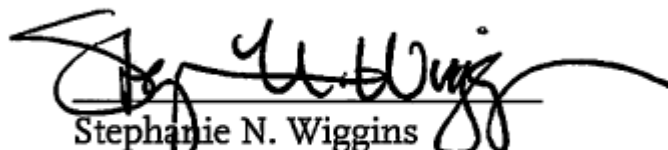
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