



City of Norman, OK

Municipal Building
Council Chambers
201 West Gray
Norman, OK 73069

Master

File Number: K-1819-136

File ID: K-1819-136

Type: Contract

Status: Consent Item

Version: 1

Reference: Item 12

In Control: City Council

Department: City Manager
Department

Cost: \$167,024.38

File Created: 04/01/2019

File Name: Contract with McKinney Office Supply, Inc. NPL

Final Action:

Title: CONSIDERATION OF AWARDING BID 1819-48, GROUPS C, F, H, J, K, P, R, U, V, W, Y, AND CC; CONTRACT K-1819-136 BY AND BETWEEN THE NORMAN MUNICIPAL AUTHORITY AND MCKINNEY OFFICE SUPPLY, INC., IN THE AMOUNT OF \$167,024.38, AND ACCEPTANCE OF AN ASSOCIATED LETTER OF CREDIT IN LIEU OF REQUIREMENT FOR PERFORMANCE BOND, STATUTORY BOND, AND MAINTENANCE BOND FOR THE PURCHASE AND INSTALLATION OF FURNITURE AND ACCESSORIES FOR THE NORMAN PUBLIC LIBRARY CENTRAL.

Notes: ACTION NEEDED: Acting as the Norman Municipal Authority, motion to accept or reject all bids meeting specifications for Groups C, F, H, J, K, P, R, U, V, W, Y, and CC; and, if accepted, award the bid in the amount of \$167,024.38 to McKinney Office Supply, Inc., as the lowest and best bidder meeting specifications; approve Contract K-1819-136 and the performance, statutory, and maintenance bonds; authorize execution of the contract and bonds; and direct the filing of the bonds.

ACTION TAKEN: _____

Agenda Date: 07/23/2019

Agenda Number: 12

Attachments: Contract K-1819-136 - McKinney Office Supply -
Central Library Furniture Contract, Irrevocable Letter of
Credit - signed, Group C, Group F, Group H, Group J,
Group K, Group P, Group R, Group U, Group V,
Group W, Group Y, Group CC, PR McKinney

Project Manager: Terry Floyd, Development Coordinator

Entered by: terry.floyd@normanok.gov

Effective Date:

History of Legislative File

Ver- sion:	Acting Body:	Date:	Action:	Sent To:	Due Date:	Return Date:	Result:
1	City Council	04/09/2019	Withdrawn		04/23/2019		

Action Text: Withdrawn

Text of Legislative File K-1819-136

Body

BACKGROUND: On 6 October 2015, Norman citizens passed the NORMAN FORWARD Initiative funding a variety of projects through a ½ percent sales tax increase over 15 years. Included in the Norman Forward Initiative was a project to construct a new Central Library Branch, north of Acres St. This Library will also be a Leadership in Energy and Environmental Design (LEED) Certified project, with native plants and grasses incorporated into the landscaping. The Central Library construction has been underway since the June 2017, and is scheduled to open late summer 2019. As the construction progress continues it was timely to move forward with ordering and installing furnishings.

The 80,000 square foot (sq. ft.) Norman Public Library Central will include adult/teen spaces, children's space, a public meeting room with seating for 300, study room, public/staff meeting room, tablet lending services, staff space and public area open seating. This item asks Council to award bids for these furnishings.

DISCUSSION: Bid 1819-48 was advertised in The Norman Transcript on February 12 and February 19, 2018. The bid was opened on March 5, 2019; nine (9) bids were received. The bid package included thirty (30) different furniture groups that bidders could bid either individually or collectively.

These groups are as follows:

Group AA (3Branch): Magazine Box
Group B (Allemuir): Chair Type
Group C (Andreu World): Chair Type
Group D (Bernhardt): Lounge Chairs/Furniture
Group E (Blu Dot): Wood Tables
Group F (Demco): Laminator Cart Stand
Group G (Etsey): Library Shelving
Group H (Global Industrial): Chair Cart, Folding Truck, Mobile Work Bench
Group J (Home Depot): Kitchen Utility Table
Group K (Kelihauer): Chair Type
Group L (Lyon): Storage Cabinets, Storage Racks
Group M (Mohawk Group): Area Rug Type
Group N (Naughtone): Chair Type, Couch Furniture
Group O (Orange22): Bench Type
Group P (Paul Brayton): Chair Type
Group Q (Peter Pepper Products): Trash/Recycling Bin
Group R (Rubbermaid): Waste Baskets
Group S (Rypen): Table Type
Group T (Sandler Seating): Chair/Stool Type
Group U (Scandinavian Spaces): Stool Types
Group V (School Specialty): Area Rug Type

Group W (Softline): Chair Type
Group X (Spring Board): White Boards
Group Y (Stylex): Chair Type
Group Z (TMC): Children's Chair Type
Group AA (Today's Classroom): Rug Holder
Group BB (Uline): Workstation, Cashier's Mat
Group CC (Vondom): Outdoor Chair Type
Group DD (Lakeshore Learning): Children's Learning Toys
Group EE (Custom Upholstery): Furniture Cushion Type

** Note: Group I was not categorized in this bid*

*** No bids were received for Group AA (Today's Classroom). This item (approximately \$500 in cost) can be purchased by the City within the administrative purchasing limits as set forth in City Ordinances.*

Due to bidders having the option to bid any or all groups, bid totals varied, and groups could be awarded individually or in portions. McKinney Office Supply, Incorporated of McKinney, Texas is the low bidder for Groups C, F, H, J, K, P, R, U, V, W, Y, and CC for a contract total of \$167,024.38. The contract includes the products specified in the groups, delivery and subsequent installation of the product, along with a one-year warranty.

Due to the needed lead time to order the furniture included in the bid package in time for the contract delivery date, bids are being recommended for award at this time.

In total, \$2,900,250 was budgeted for furniture, fixtures and equipment (FFE) for the Central Library project. For the groups included in the bid (Groups A - EE), the consultant's estimate was \$922,000. In total (i.e. for Groups A-EE) the bids recommended for contract award total \$839,254.04; \$82,745.96 below the consultant's estimate. Including the interior signage package (\$23,726) and quoted cost for other FFE items being purchased through state contracts and sole-source items, the entire FFE expenditures will total \$2,294,669.10; \$605,580.90 under the original FFE budget.

Contract K-1819-136 provides for a delivery and installation date within 30 working days specified as August 1-September 12, 2019 with liquidated damages of \$500 per day should the project not be completed on time.

In lieu of providing a performance bond, statutory bond, and maintenance bond, staff is recommending acceptance of a line of credit in the contract amount to satisfy bonding requirements.

State of Oklahoma statute provides that a letter of credit may be submitted in lieu of bonding as outlined below:

Except as otherwise provided by law, within the period of time specified in subsection A of this section, the following shall be provided by the contractor to the awarding public agency for

contracts exceeding Fifty Thousand Dollars (\$50,000.00):

1. A bond or irrevocable letter of credit complying with the provisions of Section 1 of this title;
2. A bond in a sum equal to the contract price, with adequate surety, or an irrevocable letter of credit containing terms prescribed by the Construction and Properties Division of the Office of Management and Enterprise Services issued by a financial institution insured by the Federal Deposit Insurance Corporation or the Federal Savings and Loan Insurance Corporation for the benefit of the state, on behalf of the awarding public agency, in a sum equal to the contract price, to ensure the proper and prompt completion of the work in accordance with the provisions of the contract and bidding documents;
3. A bond in a sum equal to the contract price or an irrevocable letter of credit containing terms as prescribed by the Division issued by a financial institution insured by the Federal Deposit Insurance Corporation or the Federal Savings and Loan Insurance Corporation for the benefit of the state, on behalf of the awarding public agency, in a sum equal to the contract price, to protect the awarding public agency against defective workmanship and materials for a period of one (1) year after acceptance of the project, except when the awarding public agency is the Department of Transportation or the Oklahoma Turnpike Authority, in such case the period shall be for one (1) year after project completion; and
4. Public liability and workers' compensation insurance during construction in reasonable amounts. A public agency may require the contractor to name the public agency and its architects or engineers, or both, as an additional assured under the public liability insurance, which requirement, if made, shall be specifically set forth in the bidding documents.

A single irrevocable letter of credit may be used to satisfy paragraphs 1, 2 and 3 of subsection B of this section, provided such single irrevocable letter of credit meets all applicable requirements of subsection B of this section.

If the contractor needs additional time in which to obtain the bond required pursuant to subsection B of this section, the contractor may request and the awarding agency may allow the contractor an additional sixty (60) days in which to obtain the bond.

O.S. Title. 61, § 113 (West)

Given unforeseen circumstances with this vendor and bonding signatures, this provision is being utilized in lieu of bonding.

RECOMMENDATION NO. 1: It is recommended that the Norman Municipal Authority/City Council award Bid 1819-48, Groups C, F, H, J, K, P, R, U, V, W, Y, AND CC for installation of furniture accessories to McKinney Office Supply, Inc. in the amount of \$167,024.38. Funds are available in Norman Central Library, Materials (account 051-9507-455.63-01; project NFB016)

RECOMMENDATION NO. 2: It is further recommended that Contract K-1819-136, with associated Letter of Credit in lieu of performance bond, statutory bond, and maintenance bond

be approved.