

## COMMISSION AGENDA ITEM

### Item 8(a) – Statewide Furniture CMAS Contract



**Date:** May 21, 2026

**To:** California State Lottery Commission

**From:** Harjinder K. Shergill Chima, Director - *HKC*

**Prepared by:** Marissa Fernandez, Branch Chief, Facilities & Fleet Management Branch, Operations Division

**Subject:** **Item 8(a) – Statewide Furniture CMAS Contract**

### **ISSUE**

The California State Lottery (Lottery) seeks Commission approval to enter a service agreement with PeopleSpace through February 7, 2031, for modular furniture and related reconfiguration, installation, and space optimization services for all Lottery locations. The current contract expired on February 7, 2026.

### **BACKGROUND**

The Lottery currently uses Haworth brand office furniture which is the furniture standard for all Lottery-owned facilities. PeopleSpace is a distributor of Haworth furniture and a Department of General Services (DGS) California Multiple Award Schedule (CMAS) vendor who is pre-assessed to be fair, reasonable and competitive through the DGS CMAS program.

### **DISCUSSION**

The Operations Division (OPs) coordinates modular furniture installations and reconfigurations as well as office equipment replacement, repair and reasonable accommodation. OPs requires a modular furniture and related services agreement to meet the in-office needs of Lottery programs which include workstation buildouts, reconfigurations, and equipment repairs. The proposed service agreement with PeopleSpace enables the Lottery to continue to obtain necessary goods and services in a timely manner at the best prices.

As the Lottery continues to grow each year, OPs anticipates a need for workstation buildouts, reconfigurations, repairs and reasonable accommodations. The estimated cost for entering into a service agreement with PeopleSpace over a five-year period includes the following:

- HQ anticipated buildouts, reconfigurations and repairs - \$500,000.00
  - District Office anticipated buildouts, reconfigurations and repairs - \$1,000,000.00
  - Chairs, replacement parts and reasonable accommodations - \$180,000.00
- Total Estimated Cost: \$1,680,000.00

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Due to patent-protected designs, modular furniture for new and reconfigured workstations must be from the same manufacturer to ensure consistency throughout Lottery facilities. Continuing with the Haworth brand ensures hardware compatibility and interchangeability. Transitioning to a different furniture brand would render current inventory unusable and cost the Lottery an estimated \$4 million to replace, repair or reconfigure furniture and workstations.

#### **RECOMMENDATION**

Lottery staff recommends approval to enter a service agreement with PeopleSpace to provide modular furniture and related services with a maximum expenditure of \$1,680,000.00. The proposed service agreement term date expires February 7, 2031, in alignment with the CMAS Agreement.