



City of Grand Island

Tuesday, October 28, 2014

Council Session

Item G-9

**#2014-324 - Approving Contract Extension to September 30, 2015
with Paramount Linen and Uniform Rental for Uniform Rental for
Utilities and Public Works Departments**

Staff Contact: Tim Luchsinger, Stacy Nonhof

Council Agenda Memo

From: Timothy Luchsinger, Utilities Director
John Collins, Public Works Director
Stacy Nonhof, Assistant City Attorney

Meeting: October 28, 2014

Subject: Uniform Rental Utilities/Public Works Employees

Item #'s: G-9

Presenter(s): Timothy Luchsinger, Utilities Director

Background

Several divisions within the Utilities and Public Works Department utilize a rental agreement in order to provide standard uniforms for their employees, subject to reimbursement provisions of their bargaining unit contracts. Employees that are required to wear fire resistant (FR) clothing may also rent this clothing in accordance to the allowance provisions of their contracts.

Discussion

The current agreement with Paramount Linen and Uniform has been in place since January 1, 2012, and will expire on December 31, 2014. Because the protective clothing allowances now included in the bargaining unit contracts are based on the October fiscal year, it was proposed to Paramount to extend the current contract to September 30, 2015 at the same pricing, which will allow subsequent contracts to be awarded on a fiscal year basis.

Alternatives

It appears that the Council has the following alternatives concerning the issue at hand. The Council may:

1. Move to approve
2. Refer the issue to a Committee
3. Postpone the issue to future date
4. Take no action on the issue

Recommendation

City Administration recommends that the Council extend the contract for Uniform Rental Services until September 30, 2015, with Paramount Linen and Uniform of Kearney, Nebraska.

Sample Motion

Move to approve the extension for Uniform Rental Services until September 30, 2015, with Paramount Linen and Uniform of Kearney, Nebraska.

SERVICE & RENTAL AGREEMENT

[illegible]

Name emblems _____ Company emblems _____ (Minimum Delivery: \$ _____ per _____) Installation Date _____

TERM - This Agreement shall be in effect for 260 consecutive weeks from the date of first delivery. The agreement shall automatically be renewed for successive 52 week terms unless either party gives the other written notice of termination at least 90 days before the end of any such term. No vacation or illness credits are provided for under this Agreement.

BASIC OBLIGATIONS - Paramount Linen (hereinafter called the Supplier) agrees to rent to the undersigned Customer, and the Customer agrees to rent from the Supplier, now and in the future, all of the customer's requirements for linens, uniforms, and mats & mops.

LOSSES -All listed and added items will be cleaned and maintained by the Supplier. Any item becoming unserviceable through normal wear and tear will be replaced by the Supplier at no charge. Customer agrees to pay replacement value as stated above for any items lost or damaged, except through normal wear and tear, during this agreement. All items missing at the termination of this agreement by the customer will be paid for by the customer at the stated replacement rate. Customer shall return or pay for all items as if new to the Supplier upon termination of this Agreement. Unless otherwise noted, linen rental pricing is based on a minimum billing quantity equal to 45% of the assigned inventory.

LIQUIDATED DAMAGES - In the event that the Customer cancels this Agreement for reasons other than SERVICE GUARANTEE, the parties recognize that the Supplier will suffer damages which cannot be accurately calculated, and for this reason the Customer agrees to pay, as liquidated damages, as agreed to by both parties, 50% of the weekly service charges, based on the preceeding 12 week average, for the unexpired term of this Agreement.

PAYMENT/CHARGE TERMS: NET 30 DAYS FROM INVOICE DATE - C.O.D. or Charge as approved by Paramount Linen and Uniform Credit Department. All past due accounts will be charged a finance charge of 1.5% per month, or \$3.00 a month, whichever is greater. Charge customers with delivery invoice balances exceeding 90 days will be placed on C.O.D. or service suspended. ☐ C.O.D. or ☐ Charge

EXISTING AGREEMENTS - Customer warrants that he/she is free to enter into this Agreement and is not contractually obligated to obtain these items from any other party.

SUCCESSORS AND ASSIGNS - This Service & Rental Agreement shall be binding upon all successors of the business of the Customer. Supplier states that should the sale of any or all assets of his business occur, customer agrees to honor the full term of the agreement in place. Customer shall inform any successor of this Agreement.

PRICE CHANGE - Supplier guarantees prices for 1 year and may adjust charges annually, on the anniversary date, by the current Consumer Price Index, or 4%, whichever is higher. There is a one time garment make-up charge of \$1.00 per garment added to this agreement. Other price adjustments may occur based on economic factors.

AUTHORIZATION - Customer warrants authority to sign and execute this Agreement. Customer acknowledges that they received a fully signed copy.
Initial

HOLD HARMLESS - The supplier for all garments requested by the customer to act as protection from fire, acid, flammability, shock, or any other intended use for the garments requested. This includes 100% cotton, 100% spun poly, 65/35 garments, and all varieties of FR rated garments designed to protect against all hazardous materials. Wearer & Customer agrees to hold harmless from any damages, claims or expenses, including attorney fees from litigation, resulting in use or misuse of these products.

SERVICE GUARANTEE - IN THE EVENT THERE ARE SERVICE DEFICIENCIES WHICH THE CUSTOMER REPORTS TO THE SUPPLIER IN WRITING, AND SUCH DEFICIENCIES HAVE NOT BEEN CORRECTED IN THIRTY DAYS, THE CUSTOMER MAY TERMINATE THIS AGREEMENT. However, should Customer fail to provide written notice of unremedied service deficiencies to Supplier within 10 days following the 30-day period to correct reported deficiencies, the reported deficiencies shall be deemed waived or corrected and this Service and Rental Agreement shall remain in effect. All products remain the property of the Supplier and must be paid for or returned.

Paramount Linen and Uniform Rental

Customer Name City of Grand Island

By Anthony J. [Signature]

By _____

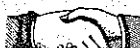
Title Req. Manager

Title _____ Date _____

Date 1/30/14

Address _____

(Authorized Agent)



RESOLUTION 2014-324

WHEREAS, the City of Grand Island entered into an Agreement for Uniform Rental on December 20, 2011 that offered yearly extension of the agreement, with Paramount Linen and Uniform of Kearney, Nebraska for the Utilities Department and Public Works Department; and

WHEREAS, the City of Grand Island and Paramount Linen and Uniform have agreed to an extension of the original agreement at the same pricing, to coincide with the City's Fiscal Year, ending September 30, 2015.

NOW, THEREFORE, BE IT RESOLVED BY THE MAYOR AND COUNCIL OF THE CITY OF GRAND ISLAND, NEBRASKA, that the extension of the Uniform Rental Agreement, until September 30, 2015, with Paramount Linen and Uniform of Kearney, Nebraska, for uniform rental services is hereby approved.

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Adopted by the City Council of the City of Grand Island, Nebraska, October 28, 2014.

Jay Vavricek, Mayor

Attest:

RaNae Edwards, City Clerk

Approved as to Form	☐ _____
October 24, 2014	☐ City Attorney