



City of Grand Island

Tuesday, February 12, 2008

Council Session

Item G24

**#2008-51 - Approving In-House Repair Center Agreement with
Scott Health & Safety**

Staff Contact: Jim Rowell

Council Agenda Memo

From: Troy Hughes, Training Division Chief
Meeting: February 12, 2008
Subject: Contract with Scott Health and Safety
Item #'s: G-24
Presenter(s): Fire Chief Jim Rowell

Background

The Grand Island Fire Department has operated an in house repair center for the purpose of service and repair work on their self contained breathing apparatus (SCBA) for many years. In 2007 the department was awarded a federal grant to purchase new SCBA. They solicited bids and selected Scott brand SCBA to replace their old units. Changing to a new brand of SCBA requires service and repair training to be conducted in order for Grand Island Fire Department to continue to do in house repair of their SCBA. Approval of this In-House Repair Center Agreement is required by Scott Health and Safety in order to obtain the necessary training and permission to conduct service and repair of their products.

Discussion

The In-House Repair Center Agreement language has been extensively reviewed by the Fire Department management and City Attorney staff. Changes requested by City legal staff have been implemented into the agreement now before you for approval. Fire Department administration recommends approval; and City legal staff has approved the contract as to form..

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 approve the contract with Scott Health and Safety.

Sample Motion

Move to approve the In-House Repair Center Agreement with Scott Health and Safety of Monroe, NC.

**SCOTT HEALTH & SAFETY
A SCOTT TECHNOLOGIES COMPANY**

IN-HOUSE REPAIR CENTER AGREEMENT

This In-House Repair Center Agreement ("**Agreement**") is made this 24th day of January 2008, by and between Scott Health & Safety, a division of Scott Technologies, Inc., a Delaware corporation, located at PO Box 569, Monroe, NC 28112 ("**Scott**"), and Grand Island Fire Department located at 100 East First St. Grand Island, NE 68802 (the "**IRC**").

WITNESSETH

WHEREAS, Scott has developed and manufactures a series of health and safety products, accessories, and replacement parts (collectively, the "**Scott Products**"); and

WHEREAS, the IRC has purchased and owns certain of the Scott Products; and

WHEREAS, the IRC, as an independent entity, desires to perform certified overhaul level inspection, repair, and service to such Scott Products owned by the IRC; and

WHEREAS, Scott desires to appoint the IRC as an authorized center for inspection repair and service of such Scott Products owned by the IRC, subject to all of the conditions of this Agreement, and the IRC desires to serve in such capacity.

NOW, THEREFORE, in consideration of the mutual promises contained herein and for other good and valuable consideration, the IRC and Scott agree as follows:

**ARTICLE I
APPOINTMENT OF THE IRC**

1.0 Appointment

Subject to the following terms and conditions, Scott hereby grants the IRC the right to inspect, repair, and service the Scott Products set forth in Exhibit A attached hereto that are owned by the IRC. Exhibit A, which is incorporated by reference, may be amended from time to time by Scott at Scott's sole discretion; and any such amendment shall be deemed to have been included on Exhibit A as if originally set forth here.

1.1 Authorized Service

The IRC acknowledges that it may not operate as an in-house repair center or authorized service center for any other entity owning or using Scott Products.

1.2 Sub-Contracted Services

IRC shall not appoint or otherwise purport to authorize anyone else to act as an in-house repair center, representative or agent of Scott to perform certified overhaul level inspection, repair or service to Scott Products without the express written consent of Scott. The IRC hereby acknowledges the extreme health and safety risks potentially posed to users who do not receive

proper service for the Scott Products from an authorized in-house repair center or authorized Scott service center.

1.3 Service Center Locations

IRC agrees to inspect, repair, and service the Scott Products from the location identified above as the IRC's address or from any service center location existing as of the date of this Agreement. The IRC agrees to provide prior written notice to Scott of any change in location(s) or address.

ARTICLE II IRC DUTIES

2.0 IRC Compliance with Applicable Procedures and Regulations

The IRC agrees to inspect, repair, service and provide training of its end users in the proper use of Scott Products in a safe, timely and professional manner; to use only Scott-authorized parts purchased from authorized Scott Distributors ("Scott Parts"), Scott-authorized test equipment and Scott-authorized tools in performing such certified overhaul level inspection, repair and service; to perform all such certified overhaul level inspection, repair and service in accordance with established current and future revisions to all applicable governmental regulations and to all Scott procedures set forth in the In-House Repair Center Handbook, product manuals, instructions, guides and service bulletins.

2.1 Scott or Equivalent Training Programs

During the term of this Agreement, with respect to Scott Authorized Service Center Technician training and certification, the IRC agrees as follows:

- A.) The IRC will employ at a minimum one technician holding a current Scott Overhaul Level Certificate as described in the In-House Repair Center Handbook.
- B.) At its own expense, the IRC will cause each technician holding a Scott Overhaul Level Certificate to receive on an ongoing basis such training from Scott in inspecting, repairing and/or servicing Scott Products as necessary to retain certification.
- C.) The IRC agrees that only those technicians having a current Scott Overhaul Level Certificate ("**Scott Certified Technicians**") shall be authorized to perform overhaul level inspection, repair and service of the Scott Products listed in Exhibit A. A Scott Certified Technician can only retain his/her Scott Overhaul Level Certificate in conjunction with an authorized IRC. If the Scott Certified Technician is no longer employed by the IRC, his/her Scott Overhaul Level Certificate will automatically expire.

2.2 IRC's Maintenance of Testing Equipment

During the term of this Agreement, and as a prerequisite to any inspection, repair and service of Scott Products, the IRC agrees to purchase and maintain Scott required testing equipment as follows:

- A.) In order to maintain the quality and the National Institute for Occupational Safety and Health ("**NIOSH**") certifications of the Scott Products, being inspected, repaired or serviced, the IRC will purchase from Scott such test stands or other testing

equipment manufactured by Scott and/or designated by Scott required for the certified overhaul level inspection, repair, and service of Scott Products in accordance with Scott procedures. Scott manufactured test equipment or other testing equipment designated by Scott is to be maintained in good working order and calibrated following the maintenance schedule as outlined in the In-House Repair Center Handbook, or as directed by Scott. Scott manufactured test stands are to be calibrated solely for Scott Products and may be used only by Scott Certified Technicians and may not be used for testing any other device other than Scott Products.

- B.) In order to maintain the quality and the NIOSH certifications of the Scott Products being inspected, repaired or serviced, the IRC will purchase such commercially available test equipment specified by Scott as required for the overhaul level inspection, repair, and service of Scott Products in accordance with Scott recommended procedures. Such test equipment must be maintained in good working condition following the test equipment manufacturers' recommendations. The IRC agrees to adhere to the recommendations of the test equipment manufacturer.
- C.) If applicable, the IRC will be required to utilize software programs licensed to the IRC by Scott or third party software suppliers for the inspection, repair and service of Scott Products. The IRC shall not share, distribute or sublicense its licensed software with or to any other person or entity.

2.3 IRC Warranty Claims

The IRC agrees that with respect to potential warranty claims on Scott Products purchased by the IRC, the IRC technicians will provide corrective action in accordance with the Warranty Procedure as described in the In House Repair Center Handbook. The IRC agrees that the total reimbursement of any warranty claim submitted to Scott by the IRC is limited to parts replacement only. The IRC agrees to Scott's determination as final concerning the validity of all warranty claims and the total amount of reimbursement due the IRC as sole compensation for warranty service. The IRC acknowledges that it has paid no fee to Scott in connection with this Agreement. Nothing in this agreement is intended to alter or limit any warranty applicable to Scott products purchased by the IRC.

2.4 Adequate Records

The IRC agrees to keep accurate and detailed records of all inspection, repair and service of Scott Products as per the procedure described in the In-House Repair Center Handbook. All inspection, repair and service records should be kept for a minimum of three (3) years from the date the transaction, inspection, repair, and/or service occurred.

2.5 Compliance with Certain Procedures

The IRC agrees that if at any time the IRC receives from Scott a notification of certain procedures that the IRC is to follow concerning the recall or other safety or product improvement campaign or program, the IRC shall comply with it. If for any reason the IRC fails or refuses to comply with the procedures specified in such notification, the IRC assumes liability for non-compliance. The IRC acknowledges the necessity of complying with recall and other safety or product improvement notices to insure the protection of the user and to comply with governmental laws, orders, rules, and regulations.

ARTICLE III

SCOTT'S DUTIES

3.0 Product and Service Information

Scott agrees to furnish the IRC from time to time with such quantities of manuals, instructions, guides, service bulletins, and other materials pertaining to the inspection, repair and service of Scott Products.

ARTICLE IV

THE PARTIES' RELATIONSHIP

4.0 The IRC is an Independent Contractor

The IRC is and will hold itself out to be an independent contractor and not an agent, partner, employee, or franchisee of Scott. As such, the IRC shall not have any right or authority to make any representation or warranty on behalf of Scott, nor to assume or create any obligation or responsibility on behalf of or in the name of Scott, nor to act for or bind Scott, nor is the IRC a legal representative of Scott, unless otherwise expressly authorized by Scott in writing.

ARTICLE V

INTELLECTUAL PROPERTY AND CONFIDENTIALITY

5.0 No Intellectual Property Rights Granted

Nothing in this Agreement shall be construed as conferring upon the IRC any right or interest in any Scott trademark or name or registration thereof, or in any Scott designs, copyrights, patents, trade secrets, trade names, signs, emblems, insignia, symbols and slogans, other marks, or any Scott intellectual property used in connection with Scott's Products.

5.1 Confidentiality

All business information and materials containing proprietary information of Scott disclosed to the IRC by Scott or its representative, agent, or employee or otherwise learned by the IRC are and shall be treated by the IRC as confidential during the term of this Agreement and at all times thereafter, except as otherwise required by freedom of information statutes applicable to the IRC.

ARTICLE VI

TERMINATION

6.0 Term of Agreement

This Agreement shall become effective as of the date hereof and shall continue in full force and effect unless terminated in the manner provided herein.

6.1 Termination Rights

A.) Either party may terminate this Agreement with or without cause upon thirty (30) days written notice to the other party.

B.) It is agreed that this Agreement will automatically terminate without notice upon the occurrence of any of the following; (i) an assignment by the IRC for the benefit of creditors; (ii) the institution of voluntary or involuntary proceedings against the IRC in bankruptcy, or under any other insolvency or similar law; (iii) the dissolution of the IRC; or (iv) the failure of the IRC to comply with any of the terms, provisions, obligations, representations or warranties.

6.2 Waiver of Damages

The termination of this Agreement by either party, however brought about, shall not entitle either party to any termination or severance compensation or to any payment for any good will established by either party during the term of this Agreement or render either party liable for damages as a result of the loss of prospective profits or any expenditure, investment or obligation incurred or made by either party.

6.3 Return of Test Equipment

Upon termination or expiration of this Agreement, Scott reserves the right to require the IRC to return all manuals, instructions, guides, service bulletins, and other similar materials furnished by Scott and all Scott manufactured test equipment (Scott Test Stands) F.O.B. Scott's plant or other destination specified by Scott, when this request is made in writing to the IRC. The IRC will be credited in the amount equal to the IRC's cost at the time of purchase of the Scott manufactured test equipment, less any repair costs for the Scott manufactured test equipment so as to render the equipment properly operational.

6.4 Continuing Obligations

Termination of this Agreement shall not effect the IRC's obligations under Article V hereinabove, and such obligations shall remain in full force and effect. The IRC agrees that it will not harm or attempt to harm the reputation of Scott or its products.

ARTICLE VII
GENERAL

7.0 No Waiver

The failure of Scott to enforce at any time any provision of this Agreement, or to exercise any option which is herein provided, or to require or fail to require at any time performance by the IRC of any provision hereof, shall in no way affect the validity or act as a waiver of this Agreement, or any part hereof, or the right of Scott thereafter to enforce it.

7.1 Notice

Any notice or other communication required by this Agreement will be deemed to have been duly given if, if deposited in the U.S. mail, postage prepaid, and addressed to the part entitled to receive it at the address set forth above.

7.2 Governing Law (intentionally omitted)

7.3 Severability

If any term or provision of this Agreement shall to any extent be determined to be void, invalid, or unenforceable, or should violate any law of the United States, this Agreement shall be considered divisible as to such provisions, both the enforceability or validity of the remainder of the Agreement shall not be effected.

7.4 Entire Agreement

This Agreement constitutes the entire agreement between the IRC and Scott with respect to the subject matter of this Agreement. The IRC and Scott agree that any and all prior and contemporaneous communications, either written or oral, and all previous and contemporaneous agreements, if any, between the parties with respect to the subject matter hereof are automatically canceled by the signing of this Agreement. The IRC acknowledges and agrees that it is not relying upon any statement, representation, or communication of any kind not contained in this Agreement. No change, amendment, or modification of this Agreement shall be effective unless made in writing and signed by both parties.

7.5 Assignability

This Agreement cannot be directly or indirectly assigned, sold, transferred or encumbered by the IRC, in whole or in part, without authorization in writing from Scott. Scott may assign this Agreement to any affiliate of Scott, any successor to its business or purchaser of substantially all of its assets.

7.6 Captions

The captions contained herein shall not be deemed to be part of this Agreement but are merely for the convenience of the parties.

7.7 IRC's Indemnification of Scott

The IRC agrees to indemnify and hold Scott harmless from any and all claims, liability, losses, or damages of any kind whatsoever, whether direct or indirect, or consequential, including, without limit, attorney's fees or other legal expenses of any kind whatsoever, arising out of the following; (i) any acts or omissions by the IRC or the IRC's representative, whether such representative is appointed direct, apparent, implied, or otherwise in connection with the IRC's purchase, possession, use, inspection, repair, service, or sale of Scott Products; (ii) the IRC's breach of any terms or conditions of the Agreement.

7.8 Insurance

The IRC shall obtain and maintain adequate comprehensive general liability insurance coverage and shall provide Scott with evidence of such insurance upon execution of this Agreement, annually thereafter, and upon any material change in coverage.

7.9 Third Party Beneficiaries

Scott and the IRC agree that this Agreement is solely for their benefit and those existing or future allowable successors and assigns specified in Section 7.5 of this Agreement and it does

not, nor is intended to, create any rights in favor of, or obligations owing to, any other related or unrelated parties, if any, or anyone else.

7.10 Binding Arbitration

Scott and the IRC agree to submit all controversies, claims, and disputes relating to this Agreement to binding arbitration. Any arbitration proceeding shall be conducted by the American Arbitration Association and in accordance with its current arbitration rules. This agreement to submit all controversies, claims, and disputes to binding arbitration shall be specifically enforceable by either Scott or the IRC.

7.11 Counterparts

This Agreement may be executed in on or more counterparts, all of which together constitute one Agreement.

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be executed on the day and year first above written.

SCOTT HEALTH & SAFETY
A Division of Scott Technologies, Inc.

By: _____
Trent Smith
Title: Vice President, Sales

IN-HOUSE REPAIR CENTER

By: _____
Title: _____

Exhibit A

Scott Products

Air-Pak® 2.2/3.0/4.5/ Fifty™

RESOLUTION 2008-51

WHEREAS, the Grand Island Fire Department operates an in-house repair center for the purpose of service and repair on self contained breathing apparatus (SCBA) equipment; and

WHEREAS, in 2007 the Fire Department for the City of Grand Island was awarded a federal grant for the purchase and replacement of SCBA equipment through Scott Health and Safety; and

WHEREAS, training is required in order for the Grand Island Fire Department to continue in-house repair of the newly acquired SCBA equipment; and

WHEREAS, an agreement by and between Scott Health and Safety and the City of Grand Island is required in order to obtain the necessary training and permission to conduct service and repair of the SCBA equipment.

WHEREAS, the contract has been reviewed by the City Attorney's Office.

NOW, THEREFORE, BE IT RESOLVED BY THE MAYOR AND COUNCIL OF THE CITY OF GRAND ISLAND, NEBRASKA, that Agreement by and between Scott Health and Safety and the City of Grand Island for the repair of SCBA equipment for the Fire Department, is hereby approved according to the terms set out in the agreement.

BE IT FURTHER RESOLVED, that the Mayor is hereby authorized and directed to execute such Agreement on behalf of the City of Grand Island.

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Adopted by the City Council of the City of Grand Island, Nebraska, February 12, 2008.

Margaret Hornady, Mayor

Attest:

RaNae Edwards, City Clerk

Approved as to Form	☐ _____
February 7, 2008	☐ City Attorney