

**CITY OF GAUTIER
MEMORANDUM**

To: Samantha Abell, City Manager
From: Cindy Steen, Purchasing Agent
Through: Cindy Russell
Date: July 10th, 2013
Subject: Ratify contract with G&K Services

REQUEST:

City Council authorization is requested to ratify the Contract with G&K Services

BACKGROUND

Contract was approved by the previous Council on 6/19/2009 for the term of 60 months; However a Council may not bind their successor in office. Unless the present Council ratifies the contract, invoices under this contract may not be legally paid. The City Manager is recommending that this Council does not ratify this contract.

RECOMMENDATION:

The Council may:

- (1) Ratify the Contracts
- (2) Direct the City Manager to negotiate terms and conditions, and or
- (3) Terminate the Contracts

ATTACHMENT(S):

Contract G&K
Letter to G&K



G&K Services
 701 St. Anthony Street
 Mobile, AL 36603

AGREEMENT FOR SUPPLY OF G&K SERVICES

715524

This Agreement, including the terms below, on the reverse, and on any attached written addenda and any added verbally as described below, all of which are incorporated by this reference, ("Agreement") is entered into between Customer and G&K Services ("G&K"), as of the Effective Date. Customer and Effective Date are identified below.

1. G&K Agrees With Customer:

- To provide services ("Services") and merchandise ("Merchandise") listed on any attached Addenda, or added verbally or in a separate writing by Customer.
- To provide **G&K Service Guarantees:**
 - o G&K will deliver all Merchandise to Customer, picked-up by G&K on a regularly scheduled delivery day, by the next scheduled delivery day;
 - o G&K will clean all Merchandise using high standards in laundering methods;
 - o G&K will inspect, repair and deliver to Customer, on the next scheduled delivery day, all Merchandise needing repair that can reasonably be repaired;
 - o G&K will deliver to Customer all Merchandise in a clean and useable condition on the next scheduled delivery day;
 - o G&K will deliver to Customer, on the next regularly scheduled delivery day, replacement or additional uniforms ordered of a similar size and color as those in service at Customer, provided G&K receives the order on a regular delivery day;
 - o G&K will replace worn-out Merchandise on the next regularly scheduled delivery day with Merchandise meeting G&K's high quality standards, at no additional charge to Customer except for Merchandise damaged or lost and except for charges for preparation, nametags or emblems, and embroidery;
- To issue a credit to Customer's account equal to the weekly charge for the item of Merchandise affected, to the extent G&K Service Guarantees are unmet.
- To review with Customer its account for Services and Merchandise as needed or upon request.
- To remain committed to meeting or exceeding Customer's needs, and to respond to any Customer service request or concern within 48 business hours after receipt by a G&K representative.

If G&K materially fails to provide Services or Merchandise required under this Agreement, Customer will deliver written details of the failure to the G&K office serving Customer, and G&K then has 60 days to correct it. The failure will be considered corrected unless within 10 days after this sixty-day period Customer delivers to the G&K facility serving Customer a second written notice showing the failure is continuing. If this Agreement then is cancelled, Customer will pay G&K all amounts then due, return all rental items to G&K in good and useable condition, and pay the replacement value for all lost, damaged and/or unreturned rental items.

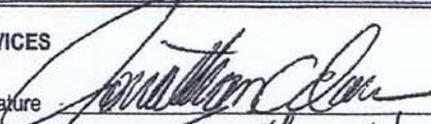
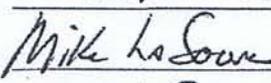
2. Customer Agrees With G&K:

- Customer has no commitment to any other company for Services or Merchandise described in or otherwise covered under this Agreement, the individual signing for Customer is authorized to enter into this Agreement on Customer's behalf, and this Agreement, when signed on behalf of Customer will constitute a legal binding obligation of Customer, enforceable against Customer;
- To order from G&K all its requirements for the type of Merchandise and Services covered under this Agreement during the time this Agreement is in effect;
- To pay the fees for all Merchandise and Services supplied by G&K under this Agreement, based on 52 weeks per year of service, as follows:
 - o In cash on the regular delivery day or, if G&K has approved credit for Customer, within 10 days after the date of each invoice delivered; provided that G&K may, at any time, convert any account to a cash on delivery basis;
 - o Annual increases in prices as invoiced by G&K for Merchandise and Services to the greater of 5% over existing prices or the rate of increase for the previous 12 months reported in the consumer price index commonly used in the location of the G&K facility that serves Customer; if G&K determines that greater price increases for Merchandise and Services are warranted, G&K will give Customer written notice prior to the effective date of the increase;
 - o All charges shown on G&K invoices for additional items, such as additional orders for Merchandise and Service, charges for any nametags, emblems, embroidery, seasonal changeovers, exchanges, outsizes, automatic replacement, Image Guard program, special services programs, taxes, replacement values for Merchandise lost or damaged (ordinary wear and tear excepted) while in possession of Customer, and charges for environmental and energy costs (service charges for environmental and energy costs will be used to help G&K pay various fluctuating costs relating to the environment, energy, service and delivery; revenue from all charges on G&K invoices is used to offset costs and to provide general revenue to G&K);
 - o At any time while this Agreement is in effect, a minimum of 75% of the average weekly fees invoiced by G&K to Customer during (a) the first 8 week period under this Agreement, or (b) any lesser period from commencement of this Agreement if Customer has not yet had 8 weeks of weekly invoices;
 - o A monthly service charge on all past due amounts equal to the lesser of 18% per annum or the highest rate permitted by law; and
 - o G&K's then current replacement values for all embroidered or permanently embellished, non-standard and/or unreturned Merchandise provided to Customer by G&K under this Agreement at the time this Agreement expires or is terminated for any reason.
- To notify G&K in advance of service of anything that may pose a health or environmental hazard, as for example Merchandise containing lead or blood borne pathogens, except as approved in advance by G&K in writing;
- To be responsible for and hold G&K harmless from any claim arising from use of the Merchandise by Customer; and
- To take whatever steps are necessary to assign this Agreement to any successor to Customer if Customer or Customer's business, assets or capital stock is sold or taken over by another party, and to notify G&K in writing of any assignment.

3. Term; Renewal; Early Termination.

- This Agreement takes effect as of the Effective Date and continues for the term of 60 months ("Initial Term") from the later of (a) the Effective Date or (b) the date G&K first delivers Merchandise to Customer, and then renews automatically and continuously for successive periods of 36 months each ("Renewal Term"), unless either party gives the other party written notice of non-renewal at least 90 days, but no more than 180 days, prior to expiration of the Initial Term or any Renewal Term.

TERMS AND CONDITIONS ON THE REVERSE SIDE OF THIS AGREEMENT, AND IN ANY ATTACHED ADDENDA, ARE A PART OF THIS AGREEMENT. THIS AGREEMENT IS NOT BINDING ON G&K UNTIL SIGNED BY G&K MANAGEMENT BELOW.

Customer Name	City OF Gautier	G&K SERVICES
Address	3330 Hwy 90	Sales Signature 
Accepted By	Cindy Steen	Printed Name and Title Jonathan Adams P.S.R.
Name and Title (printed)	Cindy Steen purchasing Agent.	Management Signature 
Effective Date	6/19, 2009	Printed Name and Title Mike LaSorce Serv. Mgr.

060712NAB0
SER001A 7/06

Enhancing Image & Safety Through Innovation

G&K ORIGINAL COPY



U.E. KARYA

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G&K SERVICES (G&K)					SERVICE AGREEMENT NUMBER 715524
ADDENDUM TO SERVICE AGREEMENT					
COMPANY NAME (Customer) City Of Gautier					
ADDRESS 3330 Hwy 90					
Gautier Ms 39553					
PHONE NUMBER					

MERCHANDISE / SERVICE ITEMS (ITEMS)

ITEM DESCRIPTION	NUMBER OF PERSONS/QTY.	INVENTORY PER PERSON/ITEM	CHARGE PER CHANGE/ITEM	SERVICE FREQUENCY	CURRENT UNIT REPLACEMENT OR LOSS/DAMAGE VALUE
Work Shirts /	15	11	.60	W	\$18.00
Work pants /	32	11	.60	W	\$20.00
Exec Slack /	3	11	.85	W	\$24.00
3X10 Mats /	4	2	5.00	W	\$105.00
3X4 Mats /	2	1	3.50	W	\$44.10
3X5 Scraper Mat /	1	1	2.50	W	\$82.69
2000 Pro Soap Disp /	2	2	3.50	W	\$19.85
Drip Mater Disp /	2	1	3.00	E4W-C	\$16.54
AF Cabinets /	16	16	2.00	W	\$20.40
Jeans /	20	11	.70	W	\$20.00
Polo Shirts /	3	11	.60	W	\$22.00

CHARGE*		CHARGE*		CHARGE*	
*Prep	\$2.00	*Outsized	20%	Invoice Minimum 75%	
*Nametag	\$1.00	*Special Cuts			
*Emblem	\$2.00	*Auto Replacement	8%		
*Embroidery	Market	*Environmental Charge	\$6.95		
*Changeovers		*Energy Charge	\$7.00		
*Exchanges		*Image Guard			

* Prices are subject to change as described in the Service Agreement

COMMENTS

Customer and G&K agree that Merchandise/Service Items listed above shall be governed by the provisions of the Service Agreement between Customer and G&K, which provisions are incorporated by reference into this Addendum.

Customer Name <u>City of Gautier</u>	G&K SERVICES
Address <u>3330 Hwy 90</u>	Sales Signature <u>[Signature]</u>
Accepted By <u>[Signature]</u>	Printed Name and Title <u>Jonathan Adams RSK</u>
Name and Title (printed) <u>Andy Green purchasing</u>	Management Signature <u>[Signature]</u>
Printed Name and Title <u>Andy Green purchasing</u>	Effective Date <u>6/20</u> , 200 <u>9</u>

*Mayor
Tommy Fortenberry*

*City of Gautier
Gautier, Mississippi*

*Interim City Manager
Robert G. Ramsay*

Council

*City Clerk
Wendy S. McClain*

At Large Mary F. Martin

Ward 1 Johnny Jones

Ward 2 Hurley Ray Guillotte

Ward 3 Gordon F. Gallott

Ward 4 Scott D. Macfarland

Ward 5 Adam D. Colledge



*3330 Highway 90
Gautier, MS 39553
Phone: (228) 497-8000
Fax: (228) 497-8028
Email: gautier@gautier-ms.gov
Website: www.gautier-ms.gov*

September 18, 2012

G&K Uniforms:

To whom it may concern:

Due to budget cuts this year effective October 1st 2012 the City of Gautier will no longer need your services.

I want to take this opportunity to thank you for a job well done. We were very pleased with your service and look forward to working with you in the future.

If you have any questions, please feel free to contact me at 228-497-3518 between the hours of 7:30 a.m. until 5:00 p.m.

Thank you,

Cindy Steen
Purchasing Agent
City of Gautier
csteen@gautier-ms.gov



September, 26th 2012
 City of Gautier
 3330 Hwy 90
 Gautier, Ms 39553

Dear Cindy Steen:

We regret that you have chosen to breach your contract with G & K Services [G & K] by terminating early. While we would prefer to keep you as one of our valued customers, we find ourselves compelled to enforce the terms of our contract including liquidated damages provision in our contract in order to protect our interests. This provision is contained in your contract, a copy of which is enclosed for your easy reference.

In this instance, the liquidated damages which you are obligated to pay are calculated as follows:

Service Agreement Expiration Date		6/20/2014
Breach date		9/26/2012
Weeks Remaining on Agreement		89
Weekly Volume		\$210.00
Liquidated Damage Charges	\$	9,360.00
- 50% of weekly billing multiplied by weeks remaining		
Outstanding Receivables	To be determined \$	-
Unreturned Items	To be determined \$	-
Damage Items	To be determined \$	-
Amount Due	\$	9,360.00

Again, we hope that you will reconsider your decision. We are eager to fulfill our contractual obligation to you. However, if you have not notified us in writing within ten [10] days of the date of this letter of your desire to continue with G & K for the term of the contract, we will proceed with the enforcement of our contractual rights including, among other things, our right to recover liquidated damages.

Respectfully yours,

Josh Kendrick
 Route Manager
 G&K Services

*75% of invoice
 still would have to
 pay \$ 157.50 weekly.*

9/26/2012

AGENDA
CITY OF GAUTIER, MISSISSIPPI
CITY HALL COUNCIL CHAMBERS
July 16, 2013 @ 6:30 PM

- i. Call to Order**
 - 1 Prayer
 - 2 Pledge of Allegiance
- ii. Agenda Order Approval**
- iii. Announcements**
 - 1 **Mayor and Council Retreat Monday, July 22nd @ 3:30 PM, City Hall Council Chambers**
- iv. Presentation Agenda**
 - 1 Update on progress of the Recreation Advisory Committee, Chairperson Larry Dailey
 - 2 June 2013 Financial Reports by Teresa Montgomery, Comptroller
- v. Public Agenda**
 - 1 Agenda Comments
- vi. Business Agenda**
 - 1 | Order approving request to table the reappointment of City Attorney until August 20, 2013
 - 2
 - 3, 2 Order considering the International Brotherhood of Electrical Workers Local Union 733 Gautier Police Unit #733.5 Contract
 - 4 3 Order considering the Gautier Fire Fighters Association – IAFF Local 3290 Contract
 - 5 4 Order approving The City of Gautier Employee Handbook as revised
 - 6 5 Order authorizing ratification of Professional Service Agreement with ClearWater Solutions, LLC
 - 6 Order authorizing ratification of Website Maint
 - 8 7 Order authorizing City Manager to negotiate the terms of the Franchise Agreement with Cable One, Inc.
 - 7 8 Order authorizing ratification of Consent Resolution Authorizing the Transfer of Cable Television Franchise
 - 8 Order authorizing ratification of Video Service Agreement with Bellsouth Telecommunications, Inc. d/b/a AT&T Mississippi
 - 9 Order approving termination of the services contract with G&K Services

Agreement with AD2 INC until 8/31

- 10 Order authorizing ratification of Christian Preus Landscape Architecture Proposal for Master Planning Services for the Town Green until July 16, 2013
- 11 Order authorizing the City Manager to initiate and request activation from the Mississippi Department of Transportation for the 2013 Safe Routes to School grant funding
- 12 Order approving a letter of support for the development of a Humanities Field Station to be located at Twelve Oaks
- 13 Order approving Docket of Claims

VII. Consent Agenda **(All items approved in one motion)**

- 1 Order authorizing ratification of City of Gautier Contracts
 - 1) Cellular South
 - 2) Pitney Bowes – Mailing Machine
 - 3) Secure Networks – Computer Maintenance
 - 4) Judicial Correction Services, INC
 - 5) Southern Pest Control
 - 6) Acadian Ambulance Service
 - 7) Shepard State Park Mobile Home Lease Agreement
 - 8) Inter-Local Agreement for the creation of a Multi-Agency Narcotics Team
 - 9) Real Estate Lease for home located at Shepard State Park
 - 10) Dan Hensarling – Fire Station on Brown Road
 - 11) Life Care Plus Services
 - 12) Hancock Bank Hitda Vehicle
 - 13) Development and Reimbursement Agreement – SM Properties and Wal-Mart Real Estate Trust
 - 14) MOU – The Mississippi Transportation Commission
 - 15) Lloyd B Marshall – Certified Public Accountant
 - 16) Municipal Solid Waste Disposal Service Contract
 - 17) Singing River Services
 - 18) Redd Pest Control
 - 19) Ricoh Copier maintenance agreement – Administration
 - 20) Ricoh MP C6000 Copier – Shepard State Park
 - 21) Gulf Coast Communications and Security Systems
 - 22) Professional Services for Seymour Engineering – Old Shell Landing Road Project
 - 23) DPC - Chlorine
 - 24) Delta Computer Systems
 - 25) First Insurance
 - 26) CVS Caremark
 - 27) National Guardian Life Insurance Company Always Care Vision Ins.
 - 28) HCC Life Insurance Company
 - 29) Mississippi Gulf Coast Regional Wastewater Authority
 - 30) Inter-local Agreement between Jackson County and The City of Gautier for Road Improvement Projects within the Municipality
 - 31) Jackson-George Regional Library System
 - 32) PTS Solutions
 - 33) Syscon
 - 34) Goodwyn , Mills & Cawood

35) Employee Contract Alicia Johnson Shepard State Park
36) Fox Everett

- A. Participating Group Agreement
- B. Business Associate Agreement
- C. Transplant Contract
- D. New Client Group Profile for CADr
- E. Claims Processing Agreement
- F. Disclosure Statement

- 2 Order approving Council Meeting Minutes from July 2, 2013
- 3 Order receiving June 2013 Privilege License Report
- 4 Resolution requesting assistance from Jackson County to provide grant matching funds for the Federal Safe Routes to School Grant

**STUDY AGENDA
CITY OF GAUTIER, MISSISSIPPI
July 16, 2013**

- 1 Discuss Citizen Comments
- 2 Discuss Council Comments
- 3 Discuss City Manager Comments
- 4 Discuss City Clerk Comments
- 5 Discuss City Attorney Comments

Recess until July 22, 2013 at 3:30 PM
www.gautier-ms.gov