

RESOLUTION NO. 2012-25

RESOLUTION BY THE FINANCE AND HUMAN RESOURCES COMMITTEE AUTHORIZING A SEVEN YEAR CONTRACT WITH BSG MAINTENANCE, INC. FOR LAUNDRY SERVICES AT RIDGEWOOD CARE CENTER

To the Honorable Members of the Racine County Board of Supervisors:

BE IT RESOLVED by the Racine County Board of Supervisors that a seven year agreement with BSG Maintenance, Inc. as set forth in Exhibit "A" which is attached hereto and incorporated herein is authorized and approved for the period of August 1, 2012 through August 1, 2019.

Respectfully submitted,

1st Reading _____

FINANCE AND HUMAN RESOURCES COMMITTEE

2nd Reading _____

BOARD ACTION

Robert N. Miller, Chairman

Adopted _____

For _____

Against _____

Absent _____

Q.A. Shakoor, II, Vice-Chairman

VOTE REQUIRED: 2/3 M.E.

Thomas Pringle, Secretary

Prepared by:
Corporation Counsel

Gilbert Bakke

Donnie Snow

John A. Wisch

Jeff Halbach

The foregoing legislation adopted by the County Board of Supervisors of Racine County, Wisconsin, is hereby:

Approved: _____

Vetoed: _____

Date: _____,

James A. Ladwig, County Executive

3 **INFORMATION ONLY**

4
5 **WHEREAS**, there is a need to approve a seven year contract with BSG Maintenance,
6 Inc. for laundry services at Ridgewood Care Center; and

7
8 **WHEREAS**, the contract price will remain locked for a period of seven years; and

9
10 **WHEREAS**, BSG Maintenance, Inc. will allow a 1% discount for invoices paid within
11 eighteen (18) days; and

12
13 **WHEREAS**, an additional 1% volume discount will be allowed if all services are awarded
14 to BSG Maintenance, Inc; and

15
16 **WHEREAS**, BSG Maintenance has demonstrated a high level of quality care and proven
17 success with multiple other county nursing homes; and

18
19 **WHEREAS**, a contract with BSG Maintenance with result in over a 25% savings over the
20 current vendor.
21

Section 10: Sample – Proposed Contract

THIS AGREEMENT is made and entered into on this ____ day of _____ 2012, by and between **Ridgewood Care Center** (hereinafter "**Ridgewood**") a Wisconsin non-profit organization and **BSG Maintenance Inc.** (hereinafter "**BSG**") a Wisconsin Corporation.

Parties Intent: **BSG** will provide housekeeping and personal laundry services as the parties mutually determine, in its capacity as an independent contractor to **Ridgewood** at the facility and on the terms and conditions set forth herein;

NOW THEREFORE, In consideration of the mutual promises made in this Agreement, and for other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the parties agree as follows:

1. GENERAL PROVISIONS

1.1 INITIAL TERM

This agreement shall commence on the ____ day of _____, 2012, and shall terminate at midnight, _____, 2015, unless terminated sooner as provided in **1.3 TERMINATION WITH CAUSE**" or **1.4 "TERMINATION BY AGREEMENT"**.

1.2 CONTINUATION

After the **Initial Term 1.1**, there may be a **Continuation 1.2** of this agreement for a successive term of twelve (12) month term following the expiration of the **Initial Term 1.1**. Successive twelve (12) month **Continuation 1.2** periods shall continue thereafter unless either party delivers written notice of termination to the other ninety (90) days prior to the end of the then existing successive term.

1.3 TERMINATION WITH CAUSE

Notwithstanding anything in the preceding paragraphs, in the event of a material breach by one party, the non-breaching party may give written notice specifying the breach and requiring cure of the breach within a reasonable period of time, which period shall not be less than fifteen (15) days after the receipt of notice. In the event the breaching party has not cured the breach, the non-breaching party may consider terminating this Agreement by issuing a thirty (30) day written notice.. If the breaching party has cured the breach, this Agreement shall remain in effect and the non-breaching party shall be limited to actual damages and performance as its exclusive remedies. It shall be deemed a material breach if **BSG** submits any increase in cost for services as stated in article **3.4 Increase in Monthly Payment** of this agreement.

1.5 FUNDING

If funds are not appropriated for payment of this contract, Racine County may terminate the contract within thirty (30) day written notice without any early termination penalties, charges fees or cost of any kind to Racine County.

2. DUTIES OF BSG

2.1 SERVICES

Provide such services as specified in the laundry/linen and personal laundry scope of work as specified in the RFP. BSG shall also perform other simple laundry related tasks outside the realm of the scope of work as parties shall mutually determine at no additional charge.

2.2 PAYROLL TAXES

BSG shall pay all contributions, assessments or taxes for unemployment compensation, social security, disability or similar benefits, to the extent such costs are based on wages or salaries paid to employees, as required by federal or Wisconsin law, and shall indemnify and hold harmless **Ridgewood** against claims for the same.

2.3 WORKERS' COMPENSATION INSURANCE

BSG shall provide and maintain insurance policies with the coverage and limits indicated below with companies authorized to do business in the State of Wisconsin.

2.4.1 Workers Compensation Insurance:

Workers' compensation insurance in statutory limits.

2.5 COMPREHENSIVE GENERAL LIABILITY INSURANCE

Comprehensive general liability insurance on a combined single limit per occurrence basis with a limit of \$1,000,000.00 single limits and \$3,000,000.00 aggregate. The comprehensive general liability insurance shall identify **Ridgewood** an additional insured and provide for coverage of not less than:

- a) Broad form property damage endorsement.
- b) Personal injury liability in standard form, including, if available, coverage for liability arising from false arrest, malicious prosecution, willful detention, libel, slander, defamation of character, invasion of privacy and wrongful egress or entry.

2.6 EMPLOYEE CRIMINAL HISTORY

2.6.1 Record Check

2.6.1.1 Prior to Assignment

BSG shall obtain from the Wisconsin Department of Justice, a report of a criminal (caregiver) history record search initiated pursuant form DJ-LE-250 or form DJ-LE-250A, as to each employee before assigning the employee to perform labor pursuant to this agreement. Page 2 of 5

2.6.1.2 Nonresidents

If the person who is the subject of the search under 2.6.1.1 is not a resident of Wisconsin, or if said person has disclosed to **BSG** that, at any time within the three (3) years preceding the date of the search that person has not been a resident of Wisconsin, **BSG** shall make a good faith effort to obtain from any state or other United States jurisdiction in which the person is a resident or was a resident within the three (3) years preceding the date of the search, information that is equivalent to the information specified in 2.6.1.1.

2.6.2 Prohibition on Assignment

BSG shall not assign any employee to perform Labor pursuant to this Agreement for whom a report under 2.6.1.1 has disclosed that the employee has been charged or convicted of a serious crime as per DHS Chapter 12, Appendix A, Offenses Affecting Caregiver Eligibility.

3. Compensation

3.1 MONTHLY PAYMENT

Ridgewood shall be invoiced and compensate **BSG**, each calendar month as follows:

Laundry/Linen Services	Rate Method TBD
Customer Owned Laundry & Resident Personal Apparel =	\$3,647.00

3.2 TIME OF MONTHLY PAYMENT

Ridgewood shall be invoiced prior to each month's service and shall deliver each monthly payment to **BSG**, on or before the final day of the current month being serviced. **BSG** shall allow a 1% discount for invoices paid within eighteen (18) days of issuance. Payments not received to **BSG** from **Ridgewood** within thirty (30) days after services are rendered may cause a suspension of services until payment is received in full.

3.3 CHANGE IN BUSINESS

In the event, new space is constructed, expansion/reduction in square footage or **Ridgewood** ceases operations or a portion within the facility, **Ridgewood** shall give thirty (30) days written notice to **BSG** of such changes and payment will cease or increase accordingly at the end of said thirty (30) day period.

3.4 INCREASE IN MONTHLY PAYMENT

There will be no increase in the monthly cost of services for the initial term (**Term 1.1**) of this agreement, which is three (3) years and two (2) years subsequent **Continuation 1.2** periods, totaling five (5) years. Any increase in the cost of operations by **BSG** after five (5) years will not exceed the Current Consumer Price Index in effect at that time. Such increase shall be submitted in writing by **BSG** to **Ridgewood** ninety (90) days prior to the end of the then existing continuation period. Monthly payment to **BSG** shall increase in the amounts corresponding to the cost of complying with regulations promulgated by the Federal Occupational Safety and Health Administration, new or increased payroll taxes imposed by the State or Federal government.

If such increases occur, increases will come in effect upon the next monthly payment following notice by BSG of such increases.

3.5 SPECIAL SERVICES:

BSG shall render services as requested outside the boundaries of the specifications and normal custodial duties, not listed in specifications at the rate of \$13.84 per hour. Should this occur, Ridgewood will be invoiced not later than the calendar month following that in which the services were provided.

4. PREMISES

4.1 FACILITY LOCATION

This agreement covers the services to be performed by BSG to Ridgewood at the facility located at and operating as:

Ridgewood Care Center
3205 Wood Road
Racine, Wisconsin 53406

5. EMPLOYEE SOLICITATION

5.1 Employee Solicitation

Neither party shall solicit for employment, interview for employment, or employ any employee of the other for a period of sixty (60) days following the separation of employment or termination of this Agreement without permission from the other party.

6. MISCELLANEOUS

6.1 Amendments

No amendments or modifications of this Agreement shall be valid unless in writing and signed on behalf of both parties. Unless otherwise provided in such an amendment or modification, this Agreement shall be considered to be amended only to the minimal extent necessary to give effect to this Agreement, and the other terms and conditions of this Agreement shall continue to apply with full force and effect.

6.2 Binding Provision.

The agreements and covenants contained in this Agreement inure solely to the benefit of the parties to this Agreement. No provision of this Agreement shall be specifically enforceable, and no provision of this Agreement shall be construed to create any third-party beneficiary claims. Subject to the foregoing, the agreements and covenants contained in this Agreement shall be binding on the successors and assigns of the respective parties to this Agreement.

6.3 Applicable Law; Venue.

This Agreement shall be governed by and construed in accordance with the laws of the state of Wisconsin without regard to its choice of law provisions, and the venue for all actions initiated hereunder shall be the court of competent jurisdiction within the State of Wisconsin.

6.4 No Partnership or Joint Venture:

Nothing contained in this Agreement shall be so construed as to constitute a partnership or joint venture between **Ridgewood** and **BSG** nor to make the either liable for any of the obligations of the other.

6.5 Severability of Provisions

Each provision of this Agreement shall be considered separable, and if for any reason any provision or provisions of this Agreement are determined to be invalid and contrary to any existing or future law, the invalidity shall not affect or impair the operation of those portions of this Agreement that are valid.

6.6 Confidentiality.

This Agreement is confidential and private. Each party agrees to maintain the confidentiality and privacy of, and not to disclose, any such information to any third party.

6.7 Counterparts.

This Agreement may be executed in counterparts, all of which shall constitute the same agreement.

6.8 Integration of Terms.

This Agreement, including any amendments to it, represents the entire agreement of the parties, supercedes all prior agreements, negotiations and discussions, any may not be varied, modified or amended as to any term or condition expressed herein except in a writing duly signed on behalf of both parties. This Agreement binds and inures to the benefit of the parties and their successors in interest.

IN WITNESS WHEREOF, the undersigned have executed this Agreement as of the date set first forth above.

Ridgewood Care Center

BSG Maintenance Inc.

By: _____
Michelle Putz NHA, MBA, BSN, RN
Aministrator

By: _____
Steven Brandt
President

Section 2:

"Value Added" Products or Services

1. Pricing can be locked for up to seven (7) years. Proposal is locked for five (5) years.
2. A 1% discount is allowed for invoices paid within eighteen (18) days.
3. An additional 1% volume discount will be allowed if all services are awarded to BSG
4. **Back-Up Laundry Operations**
Should Ridgeview's laundry become non-functional for any reason, BSG Maintenance can transport all personal laundry and general linens off-site to our corporate office located in West Bend, and turn it around the next day. Our office is equipped with a back-up laundry (2-95 lb. Milnor Washers, 1-130 lb. Milnor Dryer and 1- 80 lb. Milnor Dryer) which is specifically installed as a benefit to our customers.

Annual cost of Laundry Services for BSG Maintenance Inc will be \$157,440 which includes the cost of chemicals. This will be the annual cost for all seven years of the contract.

The current annual cost of Housekeeping for Aramark is \$285,654 which does not include the cost of chemicals. The current chemical budget is \$5,200. Total annual cost is \$290,854.

FINANCE COMMITTEE RECOMMENDATION

After reviewing the Resolution/Ordinance and fiscal information supplied, your Finance Committee recommends FOR--AGAINST adoption.

REASONS

FOR	AGAINST