



Financial Services
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November 22, 2010

AlSCO/American Linen Division
Attn: Mr. Jim Callahan, Service Manager
314 S. 4th Street
Laramie, WY 82070

VIA CERTIFIED MAIL: 7005 0390 0001 7774 4756

RE: Renewal, City of Fort Collins Service Agreement #709740 for Police Services

Dear Mr. Callahan:

The City of Fort Collins wishes to confirm our intent to terminate the above-referenced agreement for Towel Services for City of Fort Collins Police Services at 2221 S. Timberline Road, Fort Collins, effective December 31, 2010.

Please contact Ed C. Bonnette, C.P.M., CPPB, Buyer at (970) 416-2247 if you have any questions regarding this matter.

Sincerely,


James B. O'Neill II, CPPO, FNIGP
Director of Purchasing and Risk Management

JBO:jkb

cc: Sgt. Kent Robinson, Fort Collins Police Services



SERVICE AGREEMENT

Date 12/15/2004
Account No. 709740

Customer Name: CITY OF FT. COLLINS POLICE DEPT.
Address: 230 La Porte Ave
City, State, Zip: FT. COLLINS, CO 80521-0000 Phone: 221-6541

AlSCO agrees to supply and the Customer agrees to accept exclusively from AlSCO all of the Customer's requirements for the types of merchandise listed below at the following prices, on the following terms and conditions.

I. FLAT RATE SERVICE					
NUMBER OF WEARERS	GARMENT STYLE	UNIT PRICE	AGREED CHANGES (per wearer per week)	REPLACEMENT CHARGE	
II. UNIT PRICE WITH MINIMUM USAGE SERVICE					
ITEM	INVENTORY	UNIT PRICE	FREQUENCY	MINIMUM	REPLACEMENT CHARGE
LARGE Bath Towel	250	.42	WEEKLY	50%	5.00
LAUNDRY BAGS	6	.40	6.75
III. SERVICE CHARGE					
6%					

ADDITIONAL GOODS MAY BE ADDED TO THIS AGREEMENT WITH SUPPLEMENTAL SCHEDULES

- All goods shall be cleaned and maintained by AlSCO, and any goods that need to be replaced due to normal wear will be replaced by AlSCO at no cost to the Customer. All goods furnished are the property of AlSCO and the Customer will pay the current replacement charges for any items which are lost or damaged other than from normal wear.
- * The term of this Agreement shall be effective on the date of AlSCO Management Approval and continue 60 months from the date of installation and shall be renewed for successive 12 month terms unless the Customer or AlSCO gives written notice of non-renewal by registered mail 90 days prior to the end of the current term. **SUBJECT TO NON-APPROPRIATION OF FUNDS CLAUSE**
- If this Agreement is terminated, the Customer shall purchase all goods in service at the replacement charge less depreciation of 3% per month up to a maximum of 50% depreciation, and pay as liquidated damages, an amount equal to 25% of the average weekly rental volume for the prior 13 weeks for each week of the remaining term.
- The Customer may terminate this agreement and pay no liquidated damages if such termination is due to AlSCO's failure to perform, of which AlSCO was notified by registered mail of specific deficiencies with their performance and those deficiencies were not resolved within 30 days of notification.
- On each anniversary date the current prices shall be increased by the amount of the increase in the Consumer Price Index for the prior 12 months. AlSCO may make additional price increases by separate written notice or by notation on the Customer's invoice, provided; the Customer may reject such increases by giving written notice within 10 days after receipt of notice of such increases.
- All charges shall be payable upon delivery. AlSCO may approve a credit account subject to the terms of AlSCO's credit application.
- Flat Rate Service shall be charged per wearer or item at the Unit Price times the Agreed Changes per week.
- Unit Price With Minimum Usage Service shall be charged at the Unit Price times the quantity of the items used, provided that if the quantity actually used falls below the Agreed Minimum percentage of the Inventory, the charge shall be the Unit Price times the Agreed Minimum percentage of the Inventory.
- Revenue from all charges is used to offset costs and to provide general revenue to AlSCO. The Service Charge is used to pay various fluctuating costs related to the environment, energy, service and delivery of our goods and services.
- Unless otherwise specified, the goods being supplied by AlSCO are designed for general purpose use and are not flame resistant or treated to resist acids or other caustic or hazardous materials. **AlSCO gives no implied warranty of fitness for a particular purpose.** The Customer shall indemnify and hold AlSCO harmless from any loss as a result of toxic or hazardous substances that may soil the goods through the Customer's use, and the Customer shall notify AlSCO of the existence of such substances. AlSCO may refuse to handle or process any goods soiled with toxic or hazardous substances.
- All costs, including reasonable attorney's fees and costs, incurred by the prevailing party, in connection with any claim under this Agreement, shall be paid by the other party.
- This Agreement shall be binding upon the successors and assigns of the parties. The Customer certifies that AlSCO is no way infringing upon any existing contract between the Customer and another party to supply the services described above.
- This Agreement constitutes the final agreement between the parties and supersedes all prior negotiations or agreements.

Customer Name and Title (please print) Tim Cramer American Industrial Representative
 Authorized Customer Signature James B. O'Neill Date 12/10/05
 AlSCO Management Approval _____ Date _____