



Huntsville, Alabama

305 Fountain Circle
Huntsville, AL 35801

Cover Memo

Meeting Type: City Council Regular Meeting **Meeting Date:** 10/24/2024

File ID: TMP-4719

Department: Finance

Subject:

Type of Action: Approval/Action

Resolution authorizing the Mayor to enter into an agreement between the City of Huntsville and Formax for maintenance and servicing of pressure seal machines.

Resolution No.

Finance Information:

Account Number: 1000-13-13100-515340-00000000-

City Cost Amount: \$ 1,862.00

Total Cost: \$ 1,862.00

Special Circumstances:

Grant Funded: \$ N/A

Grant Title - CFDA or granting Agency: N/A

Resolution #: N/A

Location: (list below)

Address: N/A

District: District 1 ☐ District 2 ☐ District 3 ☐ District 4 ☐ District 5 ☐

Additional Comments:

RESOLUTION NO.

BE IT RESOLVED by the City Council of the City of Huntsville, Alabama, that the Mayor be, and is hereby authorized to enter into Maintenance Agreement between the City of Huntsville and Formax, on behalf of the City of Huntsville, a municipal corporation in the State of Alabama, which said agreement is substantially in words and figures similar to that certain document attached hereto and identified as “Standard Maintenance Agreement for the provision of maintenance and service repairs to the Formax FD2006 Mid-Volume Folder and Sealer and the Formax FD1402 Low-Volume Folder and Sealer machines”, consisting of four (4) pages and the date of October 24, 2024 appearing on the margin of the first page, together with the signature of the President or President Pro Tem of the City Council, an executed copy of said document being permanently kept on file in the Office of the City Clear of the City of Huntsville, Alabama.

ADOPTED this the 24th day of October 2024

President of the City Council of
the City of Huntsville, Alabama

APPROVED this the 24th day of October 2024

Mayor of the City of Huntsville,
Alabama



1 Education Way • Dover, NH 03820 USA
Phone: 800-232-5535 • Fax: 603-743-6366
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Valid for 30 days from date of Quote

CITY OF HUNTSVILLE

NAME OF MACHINE	MODEL NO.	SERIAL NO.	RATE PER YR.	INSPECT PER YR.
MID-VOLUME FOLDER/SEALER	FD2006	E232550	\$830.00	
LOW-VOLUME FOLDER/SEALER	FD1402	B151239	\$832.00	
1X INITIAL VISIT			\$200.00	
		TOTAL	\$1,862.00	

12 MONTH SERVICE AGREEMENT

Contract includes travel and labor costs for the initial service repair visit to bring your equipment up to contract condition. **Any parts necessary within the initial 30 days of the contract will be billed directly to the customer upon completion of the visit.**

All parts, labor and travel costs will be covered under this portion of the contract at no additional cost to the customer and up to **(2)** scheduled preventative maintenance necessary to repair the product within normal business hours of 8:00AM to 5:00PM. Preventative Maintenance visits should be scheduled by the service provider; however calls can also be scheduled by the customer directly.

Contract customers will receive a **One Business Day** priority response when service calls are placed during normal business hours of 8:00AM to 5:00PM.

All Maintenance contracts are bound by the "Standard Maintenance Contract Terms" attached, and will not go into effect until payment is received in advance.

Signature_____

Date_____

Please fax a Tax Exempt Certificate if applicable

Purchase Order # _____

Fax signed form to 603-743-6366 Attn: Rebecca Morgan or email to RMORGAN@FORMAX.COM

Sincerely,

Rebecca Morgan
Formax Contract Sales Associate
800-232-5535 Ext.115



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Standard Maintenance Contract Terms

All services made by Formax. ("Formax") to its customers ("Customer") are subject to these Standard Maintenance Agreement Terms ("Terms").

1. Agreement Terms and Termination

The initial period of these Terms commences on the October 24, 2024 and concludes on the October 23, 2025 specified in the Maintenance Agreement ("MA") with automatic renewal of successive one-year terms that can be terminated by either party upon thirty days written notice. In no event shall the term of this Agreement continue for more than three (3) years from Service Start Date. Maintenance service for equipment added after the start of the term continues for the remainder of the term.

2. Charges

- 2.1 Invoicing and Terms of Payment: Formax invoices all annual charges in advance and Customer's payment is due prior to the Renewal Date or Service Start Date.
- 2.2 If the Customer's usage of the equipment changes, the price will change accordingly where applicable. Equipment used for multiple shift (more than eight hours per day) operation may be subject to an additional charge. The MA will be re-billed immediately at the prorated amount.
- 2.3 Renewals will be available at the then current prices and terms, as long as an MA is available. All Renewals are subjected to a 3-5% increase each year.
- 2.4 Inspection/Repair Charges: Equipment for which the Manufacturer's product warranty has expired more than thirty days prior to the Acceptance Date hereof is subject to inspection and repairs, in accordance with Formax's then current policies and charges, prior to the commencement of maintenance service.
- 2.5 If your organization requires significant documentation for renewal of the agreement or vendor set up, there will be a \$150.00 processing charge.

3. Contracts

- 3.1 Warranty and extended warranty contracts are available with a variety of response times. All contracts include interim repairs and cover all parts and labor charges, excluding consumables and/or accessories as specified on the contract.
- 3.2 All contracts require that customer certifies equipment is in working condition prior to commencing contract. See Item 2.4. The customer is responsible for the cost of any parts needed to repair the equipment within the first thirty days of the MA.
- 3.3 Shredder and Cutter Contracts exclude travel and labor coverage on all service issues related to cutting blades, spacers, shafts, bearings, gears & all other components that comprise and attach to the cutting head assembly- parts are excluded after manufacturer's original warranty.
- 3.4 The Customer is responsible for securing their network during any software service repairs where a technician is required to remote into the Customer's computer.

4. General Maintenance Service Conditions

- 4.1 All equipment, parts and materials exchanged due to maintenance service will become the property of Formax at no charge. The Customer warrants that as of the date of exchange, Formax is the lawful owner of the exchanged item. All rights, titles, and interests therein are transferred to Formax free and clear of all liens and encumbrances.
- 4.2 Customer Preventive Maintenance Responsibility: The Customer will use and service the specified equipment in such a manner specified in the documentation and instructions applicable to the specified equipment. Consumables and supplies must meet the requirements of the Manufacturer.
- 4.3 Proprietary Information, Maintenance Tools and Equipment: Formax Maintenance Materials include all maintenance equipment, tests, diagnostic, and verification information and routines, tools and documentation whether on Formax or Customer owned media and whether on Customer's site or accessible by remote inquiry or incorporated in the equipment. All Formax's Maintenance Materials are the property of Formax. The Customer will secure and protect all confidential and proprietary items consistent with the rights therein.
- 4.4 "Fix or Replace" Option: If Formax chooses to replace customer's equipment, Formax will replace the equipment with a comparable unit. The replacement unit will inherit the existing unit's warranty or contract with no change in original expiration date.
- 4.5 Maintenance Service Exclusions:
 - A. Formax is not liable for any failure or delay due to any cause beyond its control and has no obligation arising out of the abnormal use of any item, site conditions not conforming to applicable Manufacturer specifications, or any causes external to any item, including but not limited to acts of God, fire or water damage, criminal conduct, neglect, acts of war, riots, strikes, lighting, electrical disturbances, earthquakes, or other similar causes. Any service that is outside the scope of these Terms may be provided, as available, in accordance with Formax's then current terms, conditions and charges.
 - B. Any service not specified herein including overhaul or refurbishment of the equipment due to age or prolonged usage is outside the scope of these Terms.
 - C. Formax is not liable to the Customer for any loss, damage or equipment problems arising from:
 - 1. The Customer's failure to comply with any Customer designated responsibilities, including providing and proper care of equipment consumables or expendables, or Customer's abuse, misuse, or shipment of equipment.
 - 2. The attachment of devices not maintained hereunder, relocation of equipment or the alteration, adjustment, repair or de-installation/re-installation of any equipment by anyone other than a Formax-authorized service representative.



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D. Any equipment involved in such activity is subject to inspection at Formax's then current terms, conditions and charges prior to the continuation of maintenance services and Formax reserves the right to terminate maintenance service for the affected equipment upon thirty days written notice.

E. Any upgrades, re-fitting, or changes of design are excluded from contractual liability. These changes include, but are not limited to, electronic or mechanical changes. Such changes are eligible for Formax's then current charges even if the changes are recommended by an associate of Formax, the Manufacturer, or any other technical authority on the specified equipment.

F. Any failure, which includes, but is not limited to, the inability to operate, incorrect configurations or incorrect cabling of any peripheral device such as host computer systems, modems, print buffers, data cables, etc. are excluded from contractual liability. Any correction to the above can be provided at Formax's current charges unless otherwise specified.

G. Recurring service calls due to simple operator adjustments, environment issues such as humidity being high/low or excessive static on the forms, can be charged to the customer for labor and travel reimbursement after prior written warning of the specific issue provided to Formax. Such written warning will notify the customer of potential future charges if service calls are placed for the same specified reasons.

H. Contract excludes parts and labor coverage on all service issues related to cutting blades, spacers, shafts, bearings, gears & all other components that comprise and attach to the cutting head assembly. Agreement assumes that the equipment is functioning and in good operating condition. Any parts not covered under the contract will be billable to the customer at the current rate upon completion of the visit. Maintenance contracts are bound by the "Standard Maintenance Contract Terms"

4.6 The Customer is to pay Formax's then current charges for service due to any of the above exclusions.

5. Limitation of Remedy

5.1 Formax and Customer are not liable for any indirect, special or consequential damages or lost profits to anyone arising out of these Terms or the use of maintenance service, documentation or maintenance materials.

5.2 No other warranty, expressed or implied, shall apply to the parts and services provided under these Terms, including any warranty of merchantability or fitness for a particular purpose, which are expressly disclaimed. In no event will Formax be liable for any special, direct, indirect, incidental or consequential damages of any kind, including without limitation, loss of use, loss of data, loss of profits or liabilities to third parties, however caused; whether by negligence of Formax or otherwise. In no event will Formax's liability exceed the annual price per unit paid by customer under these Terms.

6. General

6.1 Formax may terminate this agreement at any time, with or without cause. In the event that the maintenance agreement is cancelled, Formax will refund the prorated balance of the MA price from that date. Customer may terminate this Agreement at any time, with or without cause. In the event that the maintenance agreement is terminated pursuant to this provision, Formax will refund the prorated balance of the maintenance agreement from that date.

6.2 All orders are subject to acceptance by Formax and fulfillment of Formax's credit requirements.

6.3 Any notice or other communication permitted or required by Customer are to be sent by first class mail to Formax.

6.4 Formax's obligations under these Terms are limited to its service coverage area.

6.5 Formax may not assign these Terms in whole or part to any third party service provider without the prior consent of the Customer.

Formax may assign all or part of the payments to the extent that Formax's obligations to Customer are not affected.

6.6 If the Customer fails to perform as provided herein, Formax has the right to terminate the MA and to exercise any other remedy existing in law or in equity. No delay or failure of Formax to exercise any right or remedy constitutes a waiver.

Signed: FORMAX

By Representative: Rebecca Morgan

At: 1 Education Way Dover, NH 03820

Approved: FORMAX

By: 

Title: Maintenance Contract Sales Associate

Phone: (800) 232-5535 Ext 115

Customer: City of Huntsville, Alabama

Address: 305 Fountain Circle SW

City: Huntsville State: AL 35801

P.O. # _____

By: _____

Title: _____

Effective Date: October 24, 2024



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CUSTOMER CONTACT INFORMATION

COMPANY: CITY OF HUNTSVILLE ALABAMA **Serial #:** FD2006 - S/N E232550
FD1402 - S/N B151239

EQUIPMENT ADDRESS:

305 FOUNTAIN CIRCLE SW - 3RD FLOOR

HUNTSVILLE, ALABAMA 35801

NAME OF USER: SANDRA HOUSTON

PHONE: 256.427.5284

EMAIL: SANDRA.HOUSTON@HUNTSVILLEAL.GOV

BILLING ADDRESS:

CITY OF HUNTSVILLE - ACCOUNTS PAYABLE DIVISION

PO BOX 308

HUNTSVILLE, AL 35804

ACCOUNTS PAYABLE:

NAME:

PHONE: 256.705.3125 OR 256.213.4539

EMAIL: ACCOUNTSPAYABLE@HUNTSVILLEAL.GOV

ACCOUNTING MANAGER:

NAME: SUSAN RUSSEAU, GL FINANCIAL MGR

PHONE: 256.427.7414

EMAIL: SUSAN.RUSSEAU@HUNTSVILLEAL.GOV

PLEASE RETURN BY EMAIL TO: CONTRACTS@FORMAX.COM