

RELEASE, RECEIPT AND WAIVER

RECEIVED

MAY 5 3 56 PM 1980
GEORGE H. BROWN, AUDITOR
CITY OF PORTLAND, ORE.

WHEREAS on or about December 27, 1978, the Portland City Council accepted the bid of Oregon Linen Rental, Inc. ("OLR"), for furnishing Group 5 laundry services ^{BY} to the City for the calendar year 1979, and

WHEREAS, thereafter, at the request of representatives of the city of Portland, OLR commenced the requested service, and

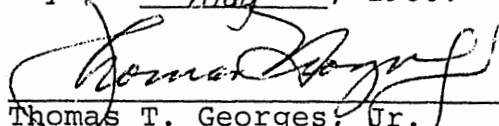
WHEREAS, after OLR had completed preliminary work necessary to commence the service and had actually started to perform the requested service, the city of Portland revoked the award of contract as indicated by letter of January 24, 1979, from Stanley O. Torgrimson, Deputy City Attorney, to Oregon Linen Rental, now, therefore,

FOR AND IN CONSIDERATION of the payment to it of the sum of Three Thousand Eight Hundred Ninety Nine Dollars and Forty Two Cents (\$3,899.42), the receipt of which is hereby acknowledged, OLR does hereby release and waive any and all claims, demands or actions which OLR may have or assert against the city of Portland on account of or in any way arising out of the aforementioned revocation of award of contract.

OLR further agrees, in consideration of the aforementioned sum, to convey to the city of Portland 100 dozen towels OLR purchased in anticipation of services to the city of Portland under the aforementioned award of contract.

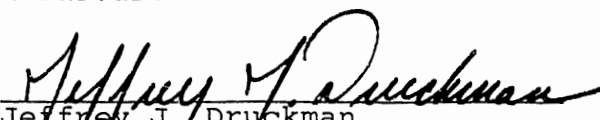
It is hereby understood that this release contains the entire agreement between the parties hereto and the terms hereof are contractual and not merely recitals.

DATED as of this 2nd day of May, 1980.



Thomas T. Georges, Jr.
Vice-President, Oregon Linen
Rental, Inc.

APPROVED:



Jeffrey J. Druckman
Of Attorneys for Oregon Linen
Rental, Inc.

STATE OF OREGON)
) SS
COUNTY OF MULTNOMAH)

On this 2nd day of May, 1980, personally appeared before me, a notary public for said county and state, the within-named Thomas T. Georges, Jr., to me known to be the identical person described in and who executed the foregoing instrument, and acknowledged to me that he executed the same freely and voluntarily for the uses and purposes therein stated.

IN TESTIMONY WHEREOF, I have hereunto set my hand and official seal, the date first hereinabove written.

Jay L. Fisher
Notary Public for Oregon
My commission expires: 12-5-81

AV46126
2100.42
AV46149
1,799.00

149536

ORDINANCE NO. 149536

An Ordinance authorizing a compromise settlement in the amount of \$2,100.42 with Oregon Linen Rental, Inc. for out-of-pocket expenses incurred as a result of the city's cancellation of an award of contract for the Bureau of Fire, providing for a receipt, release and waiver, and declaring an emergency.

The City of Portland ordains:

Section 1. The Council finds:

- (1) Ordinance No. 146715 authorized the Purchasing Agent to advertise and receive proposals for furnishing laundry service for the 1980 calendar year and award of a contract was made to Oregon Linen Rental, Inc. pursuant thereto.
- (2) Ordinance No. 147371 revoked the award to Oregon Linen Rental, Inc., subsequent to tender of the contract because the specifications were found to be faulty and the bid was, in fact, excessive and should have been rejected.
- (3) That subsequent to the revocation of the award the City Attorney's office has been in negotiations for settlement of the cancellation of the contract; the original claim was in the amount of \$16,000 which included a claim for loss of profits; the proposed settlement, in the amount of \$2,100.42 is for out-of-pocket expenses incurred by Oregon Linen Rental, Inc., and includes set-up time for management and in-house costs and for delivery and pick-up and packaging and re-packaging, all of the above costs being incurred by Oregon Linen Rental, Inc., in order to facilitate the services to be performed under the proposed agreement.
- (4) The City Attorney's research of the law indicates that there is a strong possibility that Oregon Linen Rental, Inc., if a lawsuit were filed and prosecuted, could recover not only the out-of-pocket expenses that have been agreed upon in this proposed settlement, but also the loss of profits.
- (5) The City Attorney recommends, and the Finance Officer concurs that the compromise settlement set forth hereinabove be authorized.

NOW, THEREFORE, the Council directs:

- (a) The Mayor and Auditor are authorized to draw and deliver a warrant in the amount of \$2,100.42, payable to Oregon Linen Rental, Inc., and Miller, Anderson, Nash, Yerke & Wiener, Attorneys; said warrant to be charged to General Fund, Indemnities, BUC 43613472, Expense 490. The warrant will be delivered to Miller, Anderson, Nash, Yerke & Wiener, 900 S.W. 5th Avenue, Portland, Oregon, 97204, upon delivery of a signed receipt, release and waiver from Oregon Linen Rental, Inc., in form approved by the City Attorney.

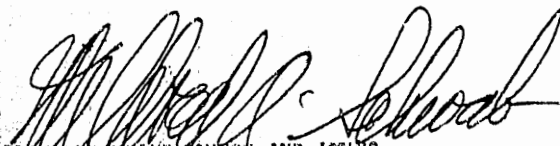
ORDINANCE No.

Section 2. The Council declares:


That an emergency exists in order to avoid undue costs and delay in settling the claim and to prevent the withdrawal of the compromise offer, therefore, this ordinance shall be in force and effect from and after its passage by the Council.

Passed by the Council, APR 30 1980

Commissioner Lindberg
April 23, 1980
SOTorgirson/fg


PRESIDENT OF THE COUNCIL AND ACTING
Mayor of the City of Portland

Attest:


Auditor of the City of Portland

Calendar No. 1486 .

ORDINANCE No. 149536

Title

An Ordinance authorizing a compromise settlement in the amount of \$2,100.42 with Oregon Linen Rental, Inc. for out-of-pocket expenses incurred as a result of the city's cancellation of an award of contract for the Bureau of Fire, providing for a receipt, release and waiver, and declaring an emergency.

THE COMMISSIONERS VOTED AS FOLLOWS:		
	Yeas	Nays
Ivancie	1	
Jordan	1	
Lindberg	1	
Schwab	1	
McCready		

FOUR-FIFTHS CALENDAR	
Ivancie	
Jordan	
Lindberg	
Schwab	
McCready	

Filed APR 25 1980

GEORGE YERKOVICH
Auditor of the CITY OF PORTLAND

By Gordon Crayell
Deputy

INTRODUCED BY
Commissioner Lindberg

NOTED BY THE COMMISSIONER
Affairs
Finance and Administration
Safety
Utilities
Works <u>ML/mg</u>

BUREAU APPROVAL
Bureau:
Prepared By: <u>SOForgrimson/fg</u> Date: <u>April 23, 1980</u>
Budget Impact Review:
<input type="checkbox"/> Completed <input type="checkbox"/> Not required
Bureau Head:

Rock

NOTED BY
City Attorney
City Auditor <u>GC</u>
City Engineer