



City of Newark

City Hall
920 Broad Street
Newark, New Jersey 07102

Legislation Text

File #: 20-1355, **Version:** 1

Dept/ Agency: Law

Action: () Ratifying (X) Authorizing () Amending

Purpose: Pre-Litigation Settlement

Docket No.: N/A

Claimant: Cen-Med Enterprises, 121 Jersey Avenue, New Brunswick, New Jersey, 08901

Claimant's Attorney: N/A

Attorney's Address: N/A

Settlement Amount: \$56,300.00

Funding Source: City of Newark/Department of Health and Community Wellness

Additional Comments:

This Settlement Agreement resolves all outstanding invoices for Cenmed Enterprises, for providing disposable medical grade gloves for medical personnel.

Invitation: Corporation Counsel (date to be entered by Clerk's Office)

WHEREAS, the City's Department of Health and Community Wellness (DHCW) provides primary health care access, social and environmental services to all citizens, allowing them to attain an optimal level of health and well-being; and

WHEREAS, the COVID-19 pandemic caused a shortage of personal protection equipment (PPE) since the first cases were reported in January 2020; and

WHEREAS, on March 30, 2020, DHCW in response to the Public Health Emergency related to COVID-19, declared an emergency for PPE; and

WHEREAS, the Qualified Purchasing Agent authorized emergency E2020-05 in the amount of Five Hundred Twenty-Six Thousand, Two Hundred Dollars and Zero Cents (\$526,200.00), at which time the only PPE available for purchase were masks and isolated gowns; and

WHEREAS, the City of Newark (the "City") needed disposable medical grade gloves, for medical personnel in the midst of the COVID-19 pandemic; and

WHEREAS, the City did not have a contract with a company to provide for disposable medical grade gloves for medical personnel; and

WHEREAS, on or about July 2020, Cen-Med Enterprises, contacted DHCW to inform the Department that they finally had stock available of medical grade gloves necessary for medical personnel; and

WHEREAS, DHCW requested Cen-Med Enterprises, provide disposable medical grade gloves in all sizes, in an effort to ensure the City could move forward to conduct COVID-19 testing and medical personnel could abide by safety requirements and wear three (3) pairs of gloves; and

WHEREAS, on August 11, 2020, Cen-Med Enterprises submitted an invoice for the cost of

disposable medical grade gloves to the DHCW in the amount of Fifty-Six Thousand, One Hundred Dollars and Zero Cents (\$56,100.00) and a shipment proposal of Two Hundred Fifty Dollars and Zero Cents (\$250.00) on August 10, 2020, for a total of Fifty-Six Thousand, Three Hundred Fifty Dollars and Zero Cents (\$56,350.00) ("the Claim"); and

WHEREAS, the Director of DHCW confirmed that the City received the benefit of disposable medical grade gloves on July 28, 2020, without a contract, and is requesting the outstanding bills be paid by a settlement; (Memorandum to Corporation Counsel, attached hereto and made a part of); and

WHEREAS, to avoid the costly expense of litigation, Cen-Med Enterprises and the City's Corporation Counsel (the "Parties") desire to amicably resolve this matter prior to the commencement of any litigation and have agreed to settle the matter of payment by the City of Newark in the amount of Fifty-Six Thousand, Three Hundred Fifty Dollars and Zero Cents (\$56,350.00) (the "Settlement Sum"), in exchange for Cen-Med Enterprises execution of this Settlement Agreement and General Release as a full and complete release of the Claim, including any claims for attorney's fees.

NOW, THEREFORE, BE IT RESOLVED BY THE MUNICIPAL COUNCIL OF THE CITY OF NEWARK, NEW JERSEY, THAT:

1. The Mayor, and/or his designee, the Corporation Counsel are hereby authorized on behalf of the City of Newark to execute and accept the terms of the Settlement Agreement and Release ("Agreement") between the City and Cen-Med Enterprises, 121 Jersey Avenue, New Brunswick, New Jersey 08901.

2. Pursuant to the Settlement Agreement and Release, the City shall pay Cen-Med Enterprises, the settlement sum of Fifty-Six Thousand, Three Hundred Fifty Dollars and Zero Cents (\$56,350.00) to be paid, via check made payable to Cen-Med Enterprises for providing medical grade gloves.

3. Attached hereto is the Purchase Order NW026-0000003799, which encumbers the funds for the purpose set forth hereinabove. A copy of the Purchase Order shall be filed in the Office of the City Clerk along with the Settlement Order by the Corporation Counsel.

4. The Director of the Department of Finance is hereby authorized and directed to issue a check in the amount of Fifty-Six Thousand, Three Hundred Fifty Dollars and Zero Cents (\$56,350.00), made payable to: Cen-Med Enterprises, 121 Jersey Avenue, New Brunswick, New Jersey 08901, upon receipt by the Corporation Counsel of all settlement documents deemed necessary.

5. The settlement and resolution does not admit nor should it be construed as an admission of liability or violation of any law, statute or regulation or a breach of any duty by the City of Newark, its agents, officers and/or employees whatsoever and is entered into based upon recommendations of the Corporation Counsel and to eliminate all risks and future litigation costs.

STATEMENT

This resolution authorizes the Mayor, and/or his designee, the Corporation Counsel to avoid potential litigation and resolve this matter by executing this Settlement Agreement and Release with Cen-Med Enterprises, 121 Jersey Avenue, New Brunswick, New Jersey 08901 and paying the

settlement sum of \$56,350.00, in return for a full release by Cen-med Enterprises.