



STATE OF DELAWARE
EXECUTIVE DEPARTMENT
OFFICE OF MANAGEMENT AND BUDGET

December 1, 2010

TO: ALL STATE AGENCIES, SCHOOL DISTRICTS, MUNICIPALITIES, VOLUNTEER FIRE COMPANIES AND POLITICAL SUBDIVISIONS

FROM: VICKI L. MACKLIN
STATE CONTRACT PROCUREMENT OFFICER
302-857-4553

SUBJECT: **AWARD NOTICE**
CONTRACT NO. GSS11490-PACKAGE_FOOD
PACKAGED FOODS

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KEY CONTRACT INFORMATION

1. **MANDATORY USE CONTRACT:**

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REF: Title 29, Chapter 6911(d) Delaware Code. Every state department and agency within the Executive Branch and Judicial Branch of the state government shall procure all material, equipment and nonprofessional services through the statewide contracts administered by Government Support Services, Office of Management and Budget. Delaware State University, Delaware Technical and Community College, the operations funded by Public School Districts, Delaware Transit Corporation, Department of Elections, the Legislative Branch and the Board of Pension Trustees and their consultants are specifically exempted from the requirements of this subsection.

2. **CONTRACT PERIOD:**

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Each Vendors contract shall be valid for a period from January 1, 2011 through December 31, 2011. Each contract may be renewed for one (1) additional one (1) year period through negotiation between the contractor and Government Support Services. Negotiation must be initiated no later than ninety (90) days prior to the termination of the current agreement.

3. **VENDORS:**

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This is a Multiple Award Contract. The addresses of the authorized suppliers are:

<p>GSS11490A- PACKAGE_FOODV01</p> <p>Kast Distributors, Inc. 541 Harding Hwy Carneys Point, NJ 08069 Gus Vournavakis 856-299-3553 Fax 856-299-6226 Gus@kastdistributors.com</p>	<p>GSS11490A- PACKAGE_FOODV02</p> <p>Karetas Foods Inc. 1012 Tuckerton Court Reading, PA 19605 Vicky Friendmann 610-926-3663, EXT 3008 FAX: 610-926-1002 Vicky@karetasfoods.com</p>	<p>GSS11490A- PACKAGE_FOODV03</p> <p>US Foodservice, Inc. 2255 High Hill Road PO Box 545 Bridgeport, NJ 08014 Josh Swift 800-336-3313 FAX: 302-934-7002 Josh.Swift@usfood.com</p>	<p>GSS11490A- PACKAGE_FOODV04</p> <p>Good Source Solutions 1525 Faraday Ave, Suite 200 Carlsbad, CA 92008 Gill Hines (800) 735-4319 Fax 858-435-1175 Gil@goodsource.com</p>
<p>GSS11490A- PACKAGE_FOODV05</p> <p>H. Schrier & Co., Inc. 4901 Glenwood Road Brooklyn, NY 11234 Jack Tamaroff 718-258-7550 Fax 718-258-9586 schrierfoods@aol.com</p>	<p>GSS11490A- PACKAGE_FOODV06</p> <p>Bernard Food, Inc. PO Box 1497 Evanston, IL 60204-1497 Steven Bernard 800-323-3663 FAX: 800-962-1546 anahid@bernardfoods.com</p>	<p>GSS11490A- PACKAGE_FOODV07</p> <p>Sysco Eastern Maryland 33239 Costen Road Pocomoke, MD 21851-0477 Nancy Linck 410-677-5527 Fax: 410-957-2207 Linck.nancy@lsfs.sysco.com</p>	<p>GSS11490A- PACKAGE_FOODV08</p> <p>Upstate Nutritionals, LLC 175 Wooford Road Taylors, SC 29687 Benjamin Oliver 407-257-829 Fax: 864-879-1540 Bigben0027@att.net</p>

SEE ATTACHED EXCEL SPREADSHEET FOR EACH VENDOR'S PRODUCTS AWARDED

4. **SHIPPING TERMS:**

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F.O.B. destination.

5. **DELIVERY AND PICKUP:**

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If a Vendor is unable to deliver the product on the date specified, and within the lead time per contract, they are to call the Facility Food Service Manager or their designee and notify them of the new delivery date, a minimum of twenty-four (24) hours prior to the scheduled date. If the date is unacceptable to the facility or the Vendor fails to notify the facility, the item will be purchased on the open market and the defaulting Vendor charged the difference between the contract price and the price paid. The successful Vendor shall provide reasonable service for emergencies. **Route schedules shall be furnished to Food Service Supervisors of each agency within 30 days of contract award.**

Minimum Order Size. There are **no minimum order** sizes for any of the suppliers under contract.

Delivery Time. The maximum time between order placement and delivery is as follows:

Kast Distributors: 7 days
Karetas Foods: 7 days
Good Source Solutions: 10 days
H. Schrier & Co., Inc.: 7 days
US Foodservice: 2 days
Bernard: 7 days
Sysco Eastern MD: 2 days
Upstate Nutritionals: 14 days

Lateness/Back Order Notification.

The maximum time between order placement and non-stock item is as follows:

Kast Distributors: 12-21 days
Karetas Foods: 7 days
Good Source Solutions: 15 days
H. Schrier & Co., Inc.: 14 days
US Foodservice: 10 days
Bernard: 7 days
Sysco Eastern MD: 14 days
Upstate Nutritionals: 14 days

Reporting.

The State will receive reports from the awarded suppliers on a monthly basis that will help determine how the contract is being used, and how to improve the contract to better serve the States needs.

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6. **DELIVERING OTHER THAN SPECIFIED:**

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Vendor(s) delivering other than the brand and packaging specified in their bid will have their product(s) refused and returned at the Vendor(s) expense shortly thereafter. The items will be purchased on the open market and the defaulting Vendor(s) charged the difference between the contract price and the price paid.

7. **PRICING:**

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Prices shall remain firm for the term of the contract unless price adjustment has been approved at the intervals described below.

SEE ATTACHED EXCEL SPREADSHEET FOR EACH VENDOR'S PRODUCTS AWARDED

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8. **PRICE ADJUSTMENT:**

Price adjustments will be calculated as follows: Quoted prices shall be adjusted on a quarterly basis for the contract term (April 15, July 15, and October 15, 2011) based on the change in value of the U.S. Department of Labor; Bureau of Labor Statistics; Producer Price Index (PPI) (series id: WPUso3110) for Finished Consumer Foods.

The method of price adjustment will be to review the most recent non-preliminary index available on the first day of the month immediately preceding the quarterly adjustment date. The change in the index rate will determine the change in prices for the contract quarterly period.

The website for the Producer Price Index (PPI) is <http://data.bls.gov/cgi-bin/srgate> .

The vendor must submit a written request for price increases during the time frame as outlined below for their effectiveness date to the Government Support Services, Attn: Vicki Macklin, State Contract Procurement Officer.

For price changes effective April 15, 2011 through July 14, 2011 requests must be submitted between March 15, 2011 through March 30, 2011.

For price changes effective July 15, 2011 through October 14, 2011 requests must be submitted between June 15, 2011 through June 30, 2011.

For price changes effective October 15, 2011 through December 31, 2011 requests must be submitted between September 15, 2011 through September 30, 2011.

Request for price increases must be accompanied by documentation, regardless of the vendors overall increase, price increases will not exceed the PPI stated above. NO price increases are to be billed to the State facilities without prior written approval by Government Support Services. Price increases becomes effective with all orders placed on or after the effective date. The State of Delaware shall receive full proportionate benefits of price decreases immediately upon their effective date.

When submitting requests for price changes, vendor shall be required to list the State Item Number and Complete identification of items requesting change. Vendor shall not delay or stop deliveries pending a price change. Failure to submit required information may result in denial for a price change.

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9. **BILLING:**

The successful vendor is required to **"Bill as Shipped" to the respective ordering agency(s).** Ordering agencies shall provide at a minimum the contract number, ship to and bill to address, contract name and phone number.

10. **PAYMENT:**

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The agencies or school districts involved will authorize and process for payment each invoice within thirty (30) days after the date of receipt. The contractor or vendor must accept full payment by procurement (credit) card and/or conventional check and/or other electronic means at the State's option, without imposing any additional fees, costs or conditions.

11. **PRODUCT SUBSTITUTION:**

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All items delivered during the life of the contract shall be of the same type and manufacture as specified or accepted as part of the bid proposal unless specific approval is given by Government Support Services to do otherwise. Written specifications and/or samples of substitutions must be submitted if requested by the ordering agency if an approved brand is not available for delivery. If it is deemed that the product is inferior to that of the product on contract the agency may accept shipment, but adjusted pricing is required. However, awarded vendors are highly encouraged to offer any like substitute product (s); either generic or brand name, at any time during the subsequent contract term, especially if an opportunity for cost savings to the state exists. In such cases, the state may require the submission of written specifications and/or product samples for evaluation prior to any approvals being granted.

12. **ORDERING PROCEDURE:**

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Successful contractors are required to have either a local telephone number within the (302) area code, a toll free (800) number, or agree to accept collect calls. Each agency is responsible for placing their orders and may be accomplished by written purchase order, telephone, fax or computer on-line systems. The contractor or vendor must accept full payment by procurement (credit) card and/or conventional check and/or other electronic means at the State's option, without imposing any additional fees, costs or conditions.

13. **HOLD HARMLESS:**

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The contractor agrees that it shall indemnify and hold the State of Delaware and all its agencies harmless from and against any and all claims for injury, loss of life, or damage to or loss of use of property caused or alleged to be caused, by acts or omissions of the contractor, its employees, and invitees on or about the premises and which arise out of the contractor's performance, or failure to perform as specified in the Agreement.

14. **NON-PERFORMANCE:**

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In the event the contractor does not fulfill its obligations under the terms and conditions of this contract, the ordering agency may purchase equivalent product on the open market. Any difference in cost between the contract prices herein and the price of open market product shall be the responsibility of the contractor. Under no circumstances shall monies be due the contractor in the event open market products can be obtained below contract cost. Any monies charged to the contractor may be deducted from an open invoice.

If any supplier fails to meet this level of performance, it should be reported to Sandra David.

15. **FORCE MAJEURE:**

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Neither the contractor nor the ordering agency shall be held liable for non-performance under the terms and conditions of this contract due, but not limited to, government restriction, strike, flood, fire, or unforeseen catastrophe beyond either party's control. Each party shall notify the other in writing of any situation that may prevent performance under the terms and conditions of this contract.

16. **AGENCY'S RESPONSIBILITIES:**

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The Agency shall:

- a. Examine and review in detail all letters, reports, drawings and other documents presented by the Contractor to the Agency and render to the Contractor in writing, findings and decisions pertaining thereto within a reasonable time so as not to delay the services of Contractor.
- b. Give prompt written notice to the Contractor whenever the Agency observes or otherwise becomes aware of any development that affects the scope or timing of the Contractor's services.

17. **CONTACT INFORMATION:**

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GSS Contact.

The State's primary contact for this contract is Vicki Macklin, Contract Officer for Office of Management and Budget, Government Support Service (302) 857-4553.

18. **BACK ORDERS:**

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It is the responsibility of the Vendor to notify the ordering agency regarding any back orders at least 24 hours prior to delivery of the ordered items. All back orders must be delivered within 5 days of notification, and or according to the Service Level Metric per the bid.

19. **PRODUCT GUARANTEES:**

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Vendor guarantees against denting, swells and can detinning for a period of 12 months from date of delivery. All products specified herein, shall be processed, packaged and delivered in accordance with any and all applicable regulations, including those of the State of Delaware and Federal Food & Drug Administration Food Codes.

20. **STOCK ITEMS:**

All items bid will be considered stock items, unless otherwise noted on the bid.

21. **INSPECTION:**

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Upon delivery the material will be inspected, and if found to be defective or it fails in any way to meet the specifications or approval of Food Service Supervisor, the items may be rejected or returned. All shortages must be reported to the Vendor within five (5) working days of receipt and replaced by the within five (5) days of the report.

22. **VENDOR EVALUATION:**

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The User Agencies and Government Support Services will evaluate Vendor(s) during the contract period. The Evaluation will include, but not limited to: timeliness of deliveries, quality of products, back orders; adequate packing lists, invoicing; and compliance resolution. Performance discussions with the awarded Vendor(s) will occur during the contract period. If the performance of the Vendor(s) deemed unacceptable, their names will be removed from the bidders list for future consideration.

23. **SAMPLES:**

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Government Support Services, reserves the right to require a Vendor to furnish samples of any item awarded after the bid. Upon request by an Agency, the Vendor must comply within 7 days after the request for samples. The samples must be furnished free of charge, marked with item number and Vendor's name, and delivered to the designated agency. The state agencies, in accordance with FDA and State of Delaware Food Codes, will evaluate these samples. Samples must be delivered in the same container that will be used for delivery during the contract period.

24. **RETURN POLICY:**

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Any materials delivered in poor condition, in excess of the amount authorized by the requisition form or not included on the requisition form or purchase order may, at the discretion of the Contract Users, be returned to the Supplier's warehouse at the Supplier's expense within 30 days. Return Authorizations (RA's) must be credited immediately once Supplier receives the returned goods.

23. **CUSTOMER SERVICE:**

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The Supplier(s) should provide each of the State and the Contract Users a single, local point of contact (and a backup) to handle questions or problems that may arise. At least one Customer Service Representative must be available during Supplier's operating hours. All service representatives must have on-line access to information to provide immediate response to inquiries concerning the status of orders (shipped or pending), delivery information, back-order information, State contract pricing, contracted product offerings/exclusions, contract compliance requirements, and general product information. Representatives should be available by phone, fax, or email (local or 800 number preferred).

Both the State and the Supplier(s) will commit to quarterly reviews of internal customer satisfaction and will make consistent efforts to improve customer satisfaction.

24. **QUALITY ASSURANCE:**

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The Supplier(s) is to guarantee its products to be free from defects in materials and workmanship, given normal use and care, over the period of the manufacturer warranty. The terms of this contract will supersede any language to the contrary on purchase orders, invoices or other documents produced by the supplier(s). The Supplier(s) is to agree to repair and/or immediately replace without charge to Contract Users any product or part thereof which proves to be defective or fails within the warranty period as specified.

25. **ORDERING CONTACT INFORMATION:**

Please contact each vendor accordingly.

- Kast Distributors: John Krambeck, 856-299-3553
- Karetas Foods: Vicky Friedmann, 610-926-3663 x 3008
- H. Schrier Co.&, Inc.: Jack Tamaroff, 718-258-7550
- Good Source: Gil Hines, 800-735-4319
- US Foodservice: Josh Swift, 800-336-3313
- Bernard: Ron Lynn, 800-323-3663
- Sysco Eastern MD: Nancy Linck, 410-677-5527
- Upstate Nutritionals: Ben Oliver, 407-257-9829

27. **VENDOR EMERGENCY RESPONSE POINT OF CONTACT:**

The awarded vendor(s) have provided the name(s), telephone, or cell phone number(s) of those individuals who can be contacted twenty four (24) hours a day, seven (7) days a week where there is a critical need for commodities or services when the Governor of the State of Delaware declares a state of emergency under the Delaware Emergency Operations Plan April 2005.

- Kast Distributors: Gus Vournavakis, Cell 609-617-9581 Home 856-464-1195
- H.Schrier: Jack Tamaroff, Work 718-258-7550, Fax: 718-258-9586
- Karetas Foods: Vicky Friedmann, Home 610-775-5883, Work 610-926-3663
- Good Source: Gil Hines, Work 800-735-4319, Fax: 858-435-1175
- US Foodservice: Josh Swift, Work 800-336-3313, Fax 302-266-8336
- Bernard: Steven Bernard, Work 800-323-3663, Fax 800-962-1546
- Sysco Eastern MD: Nancy Linck, Work 410-677-5527, Fax 410-957-2207
- Upstate Nutritional: Ben Oliver, Work 407-257-9829, Fax 864-879-1540

28. **MENU AND RECIPE SUPPORT: (For DHSS/DSCYF locations only)**

Vendor will provide menu, recipe and nutrition data in both electronic and paper format. Recipes will be developed for 10, 50 and 100 servings. The nutrient analysis will be provided in an Excel spreadsheet format.

[SEE ATTACHED EXCEL SPREADSHEET FOR EACH VENDOR'S PRODUCTS AWARDED]