



STATE OF DELAWARE
EXECUTIVE DEPARTMENT
OFFICE OF MANAGEMENT AND BUDGET

September 18, 2012

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

FROM: SHELLY K. ALIOA
STATE CONTRACT PROCUREMENT OFFICER
302-857-4553

SUBJECT: **AWARD NOTICE, Addendum #1, Effective October 1, 2013,
CONTRACT NO. GSS12044C-COFFEE/TEA, Ground, Instant and Liquid
Coffee, Bagged Tea, and Tea and Juice Concentrate**

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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, 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 vendor's contract shall be valid for a one (1) year period from October 1, 2012 through September 30, 2013. Each contract may be renewed for three (3) one (1) year periods through negotiation between the contractor and Government Support Services. Negotiation must be initiated no later than sixty (60) days prior to the termination of the current agreement.

This contract has been extended for a one year period utilizing one of the three available contract extensions until September 30, 2014.

3. VENDORS

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GSS12044C-COFFEE/TEAV01 Nestle Professional Vitality DBA Vitality Foodservice, Inc. 5 Terri Lane Burlington, NJ 08016 POC: Jack Friedrich PH: 800-441-9471 (ext. 4235) Email: jfriedrich@vitalityinc.com FSF: 0000006235	GSS12044C-COFFEE/TEAV02 Interstate Gourmet Coffee Roasters, Inc. 43 Norfolk Avenue So. Easton, MA 02375 POC: Michelle Silva PH: 508-238-8393 Email: cofroast@aol.com FSF: 0000120444
GSS12044C-COFFEE/TEAV03 Karetas Foods 1012 Tuckerton Court Reading, PA 19605 POC: Victoria Friedman PH: 610-956-1002 Email: vicky@karetasfoods.com FSF: 0000017971	

4. SHIPPING TERMS

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F.O.B. destination; freight pre-paid.

5. PRICING

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Prices will remain firm for the term of the initial contract year with the exception of ground coffee items (1A, 1B, 1C, 1D, and 1E).

ADDITIONAL TERMS AND CONDITIONS

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6. 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.

7. PAYMENT

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.

8. PRODUCT SUBSTITUTION

All items delivered during the life of the contract shall be of the same type and manufacture as specified unless specific approval is given by Government Support Services to do otherwise. Substitutions may require the submission of written specifications and product evaluation prior to any approvals being granted.

9. ORDERING PROCEDURE

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.

10. HOLD HARMLESS

The successful bidder 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 successful bidder, its employees, and invitees on or about the premises and which arise out of the successful bidder's performance, or failure to perform as specified in the Agreement.

11. NON-PERFORMANCE

In the event the vendor 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 vendor. Under no circumstances shall monies be due the vendor in the event open market products can be obtained below contract cost. Any monies charged to the vendor may be deducted from an open invoice.

12. FORCE MAJEURE

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Neither the vendor 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.

13. AGENCY'S RESPONSIBILITIES

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.
- c. When an ordering agency first experiences a relatively minor problem or difficulty with a vendor, the agency will contact the vendor directly and attempt to informally resolve the problem. This includes failure to perform by the date specified and any unacceptable difference(s) between the purchase order and the merchandise received. Ordering agencies should stress to vendors that they should expedite correction of the differences because failure to reply may result in an unfavorable rating in the execution of the awarded contract.
- d. The state has several remedies available to resolve non-performance issues with the contractor. The Agency should refer to the Contract Terms and Conditions to view these remedies. When a default occurs, the Agency should first review the contract to confirm that the issue is a part of the contract. If the issue is not covered by the contract, the state cannot expect the contractor to perform outside the agreement. If the issue is a part of the contract, the Agency or GSS - Contracting must then contact the contractor, discuss the reasons surrounding the default and establish a date when the contractor will resolve the non-performance issue.
- e. If there is a performance deficiency, a Corrective Action Report (CAR) may be used. Complete this form to report concerns with vendors or commodities. Be sure to furnish as much detail as possible. <http://gss.omb.delaware.gov/divisionwide/forms.shtml>.

SCOPE OF WORK

1. OVERVIEW

The Contractor(s) shall provide all materials and labor to satisfy the State of Delaware's need for Ground, Instant and Liquid Coffee, Bagged Tea, and Tea and Juice Concentrate, as described herein. The services will require the Contractor(s) to partner with and cooperate with the ordering agency to make sure the State receives the most current state-of-the-art services.

2. DETAILED REQUIREMENTS

Please refer to the Appendix A of the ITB for detailed requirements.

3. **SHIPMENT**

Coffee shipments will be made to various state agencies as needed. The using agency will arrange for delivery and installation of dispensing equipment directly from the contractor.

4. **DELIVERY**

a. **ALL AGENCIES OTHER THAN DEPARTMENT OF CORRECTIONS:**

Shipments for frozen products will be made in mechanically refrigerated trucks. All products are to be delivered f.o.b. destination to the designated agency.

The frozen shelf-stable, liquid coffee concentrate (SSLCC) products are to be shipped in one gallon bag-in-the-box style containers compatible with the dispensing equipment.

The frozen product is to be shipped and delivered in a frozen state.

Delivery of product will be on a weekly, bimonthly, or monthly basis as needed by the using agency.

b. **DEPARTMENT OF CORRECTIONS ONLY:**

Orders will be placed on a quarterly basis.

Delivery location and Hours of acceptance:

James T. Vaughn Correctional Center
Central Supply Warehouse
1181 Paddock Road
Smyrna, DE 19977
(302) 653-2862

Deliveries accepted only between 6:30 AM and 1:30 PM, **but not between 11:00 AM and 11:45 AM**, Monday through Friday, local time. No deliveries are accepted on State Holidays or weekends. Vendor's deliverymen must assist in unloading.

No partial shipments will be accepted for delivery.

Vendor will deliver as specified on order.

Failure to notify Michael Street, Warehouse Supervisor, Department of Correction, at (302) 653-2862, of late deliveries will result in the purchase being made on the open market and the difference being charged to the vendor.

Deliveries are to be made in a mechanically refrigerated truck. All containers must be identified as to content. Vendor's deliverymen must assist in unloading.

NOTE: DELIVERIES MUST BE WITHIN 48 HOURS OF REQUESTED DELIVERY DATE. VENDORS ARE REQUIRED TO CONTACT THE CENTRAL SUPPLY WAREHOUSE WHEN UNABLE TO DELIVER AS REQUESTED. TWO OR MORE LATE OR UNACCEPTABLE DELIVERIES MAY RESULT IN REJECTION OF VENDOR'S BID FOR THOSE ITEMS FOR A MAXIMUM OF 6 BIDDING SESSIONS. THE PURCHASING ADMINISTRATOR SHALL MAKE THIS DETERMINATION.

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Deliveries must be made as directed by the DOC when not in conflict with bid or quotation. If no delivery instructions appear on an order, it will be interpreted to mean prompt delivery required. The decision of the Purchasing Administrator as to reasonable compliance with delivery terms shall be final. Burden of proof of delay in receipt of commodities by purchaser shall rest with the contractor.

Any extension of time on delivery as specified must be in writing from the Purchasing Administrator with such extension applicable to the particular item or shipment affected.

5. **SAMPLES**

When required, samples must be furnished and approved by the Food Services Quality Control Administrator on or by the specified time, free of expense to the State and as specified by the Food Services Quality Control Administrator.

All samples submitted are subject to mutilation as a result of tests by the Department. The Department, for comparison with deliveries, will retain award samples.

6. **PACKING**

The product shall be processed and packed under modern sanitary conditions commensurate with good commercial practices.

Product must be packed in a USDA approved facility, and comply with all imposed federal and state regulations.

7. **PREVENTIVE MAINTENANCE**

Preventative maintenance shall be performed on each dispenser by the contractor regularly once every month (28-30 days), and upon additional request by the Using Agency should such circumstance arise. Written notification, that such maintenance has been performed shall be provided to the Food Service Director of each using agency after every visit.

The contractor will fully sanitize and sterilize the unit as part of the monthly preventative maintenance function. In all cases where a water filter is installed, the vendor will replace the water filter as part of the monthly maintenance.

Contractor will repair, adjust and maintain dispensers on location at no charge to the state. If it is necessary to remove a dispenser, the contractor must supply similar replacement equipment to the user agency free of charge. Contractor shall use his own service support staff to provide emergency service within 24 hours. Equipment must be repaired or replaced within this timeframe.

State employees responsible for operating the electric dispensers shall be given a written instruction booklet and on-site training by the contractor on the correct care of the equipment upon installation. Additional periodic training will be scheduled on an as-needed basis during the term of the contract.

8. **UNSATISFACTORY SERVICE**

If a vendor is unable to deliver the product on the date specified, they are to call the Facility Food Service Manager or their designee and notify them of the new delivery date, 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 price paid.

9. **SERVICE REQUIREMENTS**

Below is a list of equipment currently on loan to the State. The successful vendor must be capable of providing coffee, supplies, urns, service of urns, and any other related equipment as needed to the agencies as required for each product bid. Equipment will be on loan to the State for the duration of the contract. If an agency chooses “Coffee with Equipment, Service and Supplies”, the vendor will be required to supply filters and glass carafes as needed at no additional charge.

Additional locations may be added at anytime during the course of this contract for either ground or liquid systems.

	Liquid Coffee Equipment	Beverage Base Equipment
DHCI	3 – Model CD600 (1 with Tomlinson 2 with Auto Fill feature)	1 – 6 valve dispenser 1 – 4 valve dispenser 1- Karma Model 872 (ice tea)
Emily Bissell Hospital	1 – Model CD600	1 – 6 valve dispenser 1 – 4 valve dispenser
DE Veterans Home	1 – Model CD600	1 – 6 valve dispenser
Governor Bacon Health Center	1- Model CD600	

10. **PACKAGING**

Expiration dates shall be openly displayed on the exterior of recyclable corrugated cases and appropriately marked on the interior packages. The contractor will assure that packaging and packing materials used for the term of this contract shall comply with FSIS regulations. Packages shall bear clear directions for the keeping of the product from time of receipt by the Using Agency until the time of their use, as well as directions for the preparation of the product.

Packaging Shall:

Protect the taste, aroma, visual and other palatable properties measured by the senses and other quality characteristics of the product;

Protect the product against microbiological and other contamination;

Protect the product from dehydration and, where appropriate, leakage as far as technologically practical;

Not pass on to the product any odor taste, color, or other foreign characteristics throughout the processing (where applicable) and distribution of the product up to the time of receipt into the Using Agencies' facilities.

11. **CONTAINERIZED/PLASTIC BOTTLE AND BAG-IN-BOX PACKAGING**

The beverage base products shall be processed and packaged under modern and sanitary conditions commensurate with current good commercial practices. Packaging materials must be tear and puncture resistant. Recyclable packaging is requested, wherever possible. Juice/drink base/concentrate is to be shipped in 3 or 5 gallon commercial food grade containers.

12. **JUICE/DRINK BASE CASES**

The base/concentrates must be packed in the United States of America at a commercial facility that is subject to the USDA – Department of Agriculture inspection and carry a Kosher certification. Packages are

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to be shipped within shelf stable and stackable recyclable corrugated cardboard cases. All bases shall be in wholesome and sanitary condition at the time of delivery. The product shall be packed in suitable pristine and sealed (non-leaking) package held within a corrugated box, or other recyclable case, sealed to prevent tampering. The product shall be maintained in shelf stable condition at the time of delivery. Shipping containers/cases shall be constructed of eco-friendly, environmentally preferable and recyclable/recycled materials whenever feasible and when shipment within the recyclable/recycled container does not diminish the quality or sanitary requirements of the product. Shipping cases may be of recyclable materials.

Each shipping container shall be labeled legibly (in English) to show:

- Name of product contained
- Item number
- NDC Format Number
- Net weight
- Plant number (manufacturer)
- Name, address, and date packed (month, day, year)
- USDA, USDC, USFDA, PUF1 or applicable grading/inspection markings
- Expiration or "best by/use by" date clearly marked (month, day, year)
- Country of Origin Label is required

13. DELIVERY OF BEVERAGE BASE FOR ELECTRONIC DISPENSING SYSTEMS

Delivery frequency shall be scheduled upon the arrangement between each Using Agency and the Contractor(s) that is/are contracted to supply product to as specified within the ITB text and on the Bidder's Price Sheet. The delivery frequency shall be on the average, but not limited to, one delivery per week, one delivery bi-weekly, or one delivery per month per facility. Delivery of beverage bases/liquids must be 7 days ARO

14. PROOF OF DELIVERY

Contractor is required to obtain proof of delivery signed by an authorized employee of the receiving unit.

15. VENDORS TRANSPORT REQUIREMENTS

All food related products shall be transported in a climate controlled transportation container regulated to keep the item(s) in good condition and in accordance with the current US Department of Agriculture and/or US Food and Drug Administration (FDA) food code guidelines and food handling practices during all stages of processing, distribution and storage. If a refrigerated vehicle is used to transport the product, the refrigeration system condensation shall not come in contact with the product. The finding of any evidence of deterioration due to mishandling, freezing, or elevated heat or from lack of controls during storage, distribution or transport resulting in cross contamination including contamination from non-processed products during storage, distribution or transport shall be unacceptable and shall be sufficient cause for refusal by the Using Agency of the flawed/damaged product.

16. ELECTRIC DISPENSER INSTALLATION

All electric dispensers must be installed, tested and made operational by the contractor.

All installations are to be in compliance with State of Delaware code and any necessary permits are to be secured by the contractor at no additional charge to the State.

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Where applicable, all water pipe connections connected to the Using Agency's potable supply, shall be sized, installed and maintained in accordance with prevailing State, Federal and Local Codes, whichever is most stringent.

17. ELECTRONIC DISPENSING EQUIPMENT FOR COLD JUICES/BEVERAGES

Electric cold beverage dispensing equipment must have refrigeration at the point of dispensing, therefore eliminating warm juice or drink from being dispensed. Temperature at point of dispensing must fall within the range of 33° - 39° degrees.

Equipment pumping system must be electrical, not carbon dioxide. Carbon Dioxide containers are not acceptable and shall not be used.

The Agency reserves the right to reject any and all bids based on incapability of the dispensing units to meet the volume requirements at each facility.

Dispensing units for moderate volume users shall be 4 valve and 6 valve and shall be capable of dispensing 4 or 6 different types of juice or drink respectively.

Each facility may specify which equipment option(s) four-valve or six-valve units they require for their respective food service programs.

The dispensers must be manufactured in the U.S.A. and carry the (UL) seals of approval of Underwriter Laboratory, Inc. and the National Sanitation Foundation (NSF).

18. DELIVERY AND INSTALLATION OF ELECTRONIC DISPENSING EQUIPMENT

Each Using Agency will arrange for the direct delivery and installation of the electric dispensing equipment and peripherals for water hook-up, from the awarded vendor.

19. REPAIR/REPLACEMENT EQUIPMENT

All beverage dispensing equipment malfunctions are to be fixed or the equipment replaces within 24 hours of contractor notification.

20. TRANSITIONAL PERIOD

The State may impose a transition period so that the incumbent (dispenser) provider can remove their equipment and the awardee(s) provide installation of suitable dispensers along with product bases. The transition period may be invoked to facilitate the start-up of the term contracts (awarded as a result of this solicitation) without a lapse in service. Under no circumstances is the contractor to remove its equipment without the consent of the using agencies, so as to ensure uninterrupted cold dispensing services.

TECHNICAL SPECIFICATIONS

1. GROUND COFFEE AND BAGGED TEA

a. GENERAL REQUIREMENTS

Please Refer to Appendix A

1. **PRICING**

Item numbers 1A, 1B, 1C, 1D and 1E will be based on monthly pricing of coffee futures as posted in the Wall Street Journal on the last day of the previous month plus a normal mark-up. Price quoted shall be net 30 days. Price adjustments for the next month shall be forwarded to the Government Support Services no later than 10 days prior to the start of new month. Submissions later than the above stipulation may result in a refusal to allow the adjustment.

All other contract item numbers will remain firm for the duration of the contract period.

2. **DISPENSER(S)**

The dispenser(s) shall have the capability of dispensing hot water, regular coffee and decaffeinated coffee.

The dispenser must contain the ability to be adjusted for various strengths.

The dispenser's product hopper must have a locking device, to prevent unauthorized access.

All dispensers must carry the seals of approval of underwriter laboratory, inc., and national sanitation foundation.

All dispensers shall be installed by contractor's trained technicians. Water supply shall be provided by account.

2. **LIQUID COFFEE**

a. **GENERAL REQUIREMENTS**

Please Refer to Appendix A

1. This section covers liquid coffee concentrate (SSLCC) system with the dispensing equipment to be furnished and maintained by the successful bidder for the term of the contract, liquid juice bases and liquid drink bases (bag-in-box or similar non-breakable, self contained, food-grade containers that are recyclable) along with the cold dispensing equipment systems to be furnished and maintained by the successful bidder for the term of the contract.
2. No service fees or additional cost will be invoiced to Contract Users by the supplier during the term of this agreement (except as described in this ITB or mutually agreed upon in writing).
3. There will be no "small order", "minimum order", or "special order" charges or surcharges.
4. There will be no return fees for inaccuracies or other errors on the part of the supplier.
5. Any rush delivery that occurs as a result of Supplier's error (e.g. stock-outs, delivery of wrong product, etc.) will be free of charge. No handling surcharges will be added or discounts lost for any rush or expedited orders.
6. You may also provide catalog(s) and price list(s) for all of the food products that you sell that include all of the different price tiers available for each product. An electronic copy is preferred. The price listed therein will be the prices that the state will use for off-contract purchases during the term of the contract. Please note that as a high volume purchaser of contracted items, the state expects to receive the lowest price offered on off-contract items.

7. Shelf-stable liquid coffee concentrate (SSLCC) products, in addition to the above requirements, all frozen and SSLCC products shall be in a wholesome and sanitary condition at the time of delivery.
8. The SSLCC product shall not require refrigeration.
9. The product shall be packed in a container sealed to prevent tampering.
10. The frozen product shall be maintained in the frozen state at time of delivery.
11. The frozen and SSLCC products are to be part of a complete system that includes dispensers exclusively designed to handle the product. Coffee origins may be from any recognized coffee producing nation.
12. The bidder may choose to bid either the liquid frozen or liquid non-frozen concentrate or both.

However, for each type of concentrate, the bidder must bid both the regular and decaffeinated line items. Failure to comply with this requirement will result in the rejection of that portion of the bid

3. **JUICES**

a. **GENERAL REQUIREMENTS**

Please refer to Appendix A

4. **INSTANT COFFEE**

a. **GENERAL REQUIREMENTS**

Please Refer to Appendix A

b. **INSTANT COFFEE REQUIREMENTS – DEPARTMENT OF CORRECTIONS**

DESCRIPTION: 100 % PURE, INSTANT COFFEE, **CORRECT CHOICE™, OR APPROVED EQUAL.**

YIELD: 18,000 CUPS OF COFFEE PER CASE, 1 CUP MAKES 5 GALLONS OF COFFEE.

PACKAGING: 25# BULK, INSIDE NSF APPROVED CORRUGATED CARDBOARD CARTON, LINED WITH 3 MIL POLYETHYLENE LINERS, A LENGTH THAT CAN BE EASILY SECURED.