



STATE OF DELAWARE
EXECUTIVE DEPARTMENT
OFFICE OF MANAGEMENT AND BUDGET

December 29, 2011

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

FROM: Courtney McCarty
STATE CONTRACT PROCUREMENT OFFICER
302-857-4557

SUBJECT: **AWARD NOTICE**
CONTRACT NO. GSS12578A-MEAT
Meat, Poultry, Fish, Dairy

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KEY CONTRACT INFORMATION

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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 vendor's contract shall be valid for three months from January 1, 2012 through March 31, 2012. Each contract may be renewed for three (3) additional three (3) month 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.

3. VENDORS:

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GSS12578A-MEATV01 Karetas Foods 1012 Tuckerton Court Reading, PA 19605 POC: Wayne Sody PH: 410-344-9106 Email: waynesody@comcast.net FSF#: 0000017971	GSS12578A-MEATV02 Sysco Eastern Maryland LLC 33239 Costen Rd. Pocomoke, MD 21851 POC: Nancy Linck PH: 410-677-5527 Email: linck.nancy@lsfs.sysco.com FSF#: 0000033811
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4. SHIPPING TERMS:

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F.O.B. destination.

5. DELIVERY:

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Deliveries may be made Monday through Friday, between the hours of 8:00 a.m. and 3:00 p.m. **Absolutely no deliveries will be accepted after 3:00 p.m. Deliveries are to be made within 72 hours of original order.**

Deliveries are to be made in a refrigerated truck in accordance with State of Delaware Food Code requirements. (<http://www.dhss.delaware.gov/dhss/dph/hsp/files/99fdcodechap3.txt>)

All cases must be identified as to content and purchase order number.

Vendor delivery men must assist in unloading.

Total poundage per item delivered must be within a five percent (5%) tolerance of the specified amount ordered.

6. PRICING:

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Prices will remain firm for the stated term of the contract.

Awarded pricing can be found in Excel document – Pricing Spreadsheet.

ADDITIONAL TERMS AND CONDITIONS

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7. 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.

8. 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.

9. 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.

10. 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.

11. REQUIREMENTS:

This contract will be issued to cover the Meat, Poultry, Fish & Dairy requirements for all State Agencies and shall be accessible to any School District, Political Subdivision, or Volunteer Fire Company.

12. HOLD HARMLESS:

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

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the premises and which arise out of the contractor's performance, or failure to perform as specified in the Agreement.

13. NON-PERFORMANCE:

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.

14. FORCE MAJEURE:

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.

15. 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>.

16. CUSTOMER SERVICE

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).

17. BACK ORDER

It is the responsibility of the contractor to notify the ordering agency immediately upon notification that an item is on back order. The contractor shall state the reason for the back order and the date the agency can expect delivery. After receiving this information the agency reserves the right to cancel the back ordered items and purchase elsewhere, charging the increase in price and cost of handling, if any, to the contractor.

18. SUBSTITUTIONS

Substitutions of any products or quantity on any order are unacceptable unless the vendor has acquired written authorization from the designated buyer PRIOR to delivery. Unauthorized substitutions shall be subject to penalty; including contract termination.

19. RETURNS

Any materials delivered in poor condition, in excess of the amount authorized by the requisition form, unauthorized substitutions 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. **If product was returned due to poor condition or unauthorized substitution the Supplier must make arrangement to have product delivered within 48 hours if requested by ordering Agency at no additional charge.** No payments will be made for products that do not meet agreed upon pricing, quality, or other requirements to be specified in the ITB or the contract.

20. PERFORMANCE

Late/No Deliveries – Due to locations ordering based on weekly menus there is not room for late or no deliveries. Those vendors not able to meet the 72 hour delivery timeframe will have their order/products cancelled and will be charged the difference between their bid and the open market purchase. If there is a delay anticipated vendors must notify the ordering agency and give the Agency the choice to accept delivery at a later date with a proposed delivery date or purchase open market. If Agency accepts the alternative delivery date and product is not received, Agency will automatically purchase product open market and back charge the contracted vendor any difference in cost. If Agency, is not contacted prior to delivery and given the choice to accept product at a later date or purchase open market, Agency will automatically purchase open market and back charge the contracted vendor any difference in cost. Three late deliveries to any agency will result in removal from the bidders list for a three (3) month period.

Inferior Merchandise – Those vendors delivering merchandise of inferior quality, delivering in other than the manner specified will have their merchandise refused. Vendors will be given 24 hours to deliver the proper merchandise as specified. Failure to deliver within 24 hours will result in the vendor being charged the difference between their bid and the open market purchase. Three deliveries of inferior merchandise will result in removal from the bidders list for a three (3) month period.

Quality of Merchandise – If quality of merchandise is questionable and the receiving agency and vendor cannot reach an agreement, a State of Delaware and/or a Federal Meat Inspector will be called in to inspect the merchandise. The decision of the Inspector will be final. Costs will be borne by the vendor.

Repetitive Infractions – Those vendors with 2 suspensions from the bidders list will automatically be removed from our bidders list.

21. PENALTIES

In the event that the vendor is found to be habitually non-compliant with the requirements of this solicitation/contract they will be subject to the following:

- Line item will be removed from vendor's award and offered to the next lowest, responsive bidder for the remaining contract term. (Any three (3) occurrences per line)
- Contract Termination.

22. USE OF SUBCONTRACTOR FOR DELIVERIES

Bidder must establish a permanent answering service for the purpose of receiving orders and reporting delivery shortages and problems.

23. LIABILITY

The contractor will hold each Department facility or other participating state agency free of any damages resulting from consumption of products delivered under this contract, when such damages are attributed to foreign materials or other defects in products delivered by the contractor.

24. PURCHASE ORDERS

Purchase orders will be issued to the successful bidders within a responsible time after award of contract has been made. No deliveries hereunder shall be made until after receipt of formal State purchase order.

25. PACKING

Packing – All items shall be delivered in standard commercial containers so constructed as to insure acceptance by common or other carrier for safe transportation, at the lowest rate, to the point of delivery, or blanket wrapped trailer load lots.

26. PAYMENT OF INVOICES

Successful Bidders will invoice per instructions on purchase order.

All invoices shall be sent to – Delaware Health and Social Services, Accounts Payable Section, 1901 N. DuPont Highway , New Castle, Delaware 19720. Every Packing Slip, Delivery Ticket and Invoice must include:

- Purchase Order Number
- The name of the facility to which delivery was made.
- Title and quantity of each item.
- Net Price.
- Extended total of each item.
- Our Contract Number.

27. CASH DISCOUNT

Cash discounts for prompt payment of invoice shall be deducted and net prices only given in the bid. All bids must be on the unit as specified; as designated in the unit column, or they **will not** be considered.

28. BID INFORMATION

In connection with this bid the bidder must furnish the Brand Names of the item being offered. Failure to furnish the information requested will subject bid to disqualification.

29. LABELING

Legible commercial labeling will be acceptable, providing it conforms with the Federal Food, Drug and Cosmetic Act and General Regulations for its enforcement.

30. LABELING REQUIREMENTS

All exterior packaging shall be labeled with:

- Product name
- Product/Item code
- Brand/Packer's name
- USDA inspection stamp
- Unit/pack size
- Pack date
- Ingredients
- Nutritional values including Sodium and Fat content
- Safe handling instructions, to include storage and shelf life
- Thawing instructions if applicable
- Cooking instructions if applicable

All interior packaging with multi-package units that require interior labeling per product specifications, shall be labeled with:

- Product name and package weight

All meat products with grade specified must have:

- USDA Grade Stamp on item itself, i.e. Gooseneck bottom Round shall have a purple stamp reading "USDA Select."

31. MENU AND RECIPE SUPPORT

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.