



STATE OF DELAWARE
EXECUTIVE DEPARTMENT
OFFICE OF MANAGEMENT AND BUDGET

July 2, 2012

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

FROM: COURTNEY MCCARTY
STATE CONTRACT PROCUREMENT OFFICER II
302-857-4557

SUBJECT: **AWARD NOTICE**
CONTRACT NO. GSS12662A-PRODUCE
FRESH PRODUCE

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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, 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 three (3) month period from July 1, 2012 through September 30, 2012. Each contract may be renewed for three (3) 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.

3. VENDORS:

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American Beauty Fish & Produce
PO Box 10
Thornton, PA 19373
POC: Michael Homyak
PH: 610-431-1109
FX: 610-431-1477
Email: MTHCTH@comcast.net
FSF: 0000018931

4. SHIPPING TERMS:

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

5. DELIVERY:

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Delivery of product must be made in a well-maintained refrigerated truck. All deliveries shall be placed in the area designated by the Food Services Supervisor or designee. Under no circumstances may a delivery be left outside the building. Deliveries must be received as specified in the delivery information section of this bid. Delivery dates and times will be determined and mutually agreed upon after award of this contract to ensure the freshest product and optimal operational efficiency. All delivery locations and times are subject to change by the Agencies.

Christina School District consists of 33 locations. Some locations do not have loading docks, some are located in residential areas, and some require delivery twice a week. Bidders are required to submit with their proposal response a delivery plan for each location which will require approval by the district prior to contract award. Specifications can be found in Appendix A.

6. PRICING:

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Prices will remain firm for the term of the contract.

See associated Excel document – Pricing Spreadsheet for pricing.

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:

The State of Delaware seeks to establish a contract with a fresh produce provider which will provide their expertise to purchase and deliver perishable fruits and vegetables as listed in the "Deliveries" section. The contractor will be expected to work closely with Facility Food Service Supervisors or their designee in order to provide the quantity and quality of product required by each Institution. Occasionally, an additional special delivery will be required for special functions.

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 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. QUALITY:

The facilities will rely on the vendor's expertise to secure the quality of produce that meets or exceeds the State of Delaware's specifications at the best value and price. The quality level expected will be communicated to the vendor by the Food Services Quality Control Administrator. The vendor must make every effort to deliver the agreed upon product. Any product that is delivered and does not meet expectations will be returned for credit and a replacement of product made within 24 hours at no additional delivery fee.

18. ORDER PLACEMENT:

Orders will be placed by each facility by e-mail or fax according to a mutually agreed upon time and procedure to be determined after award of this contract

19. CREDIT:

A credit or replacement will be issued for damaged or unacceptable produce. All such transactions are to be worked out with each Food Services Supervisor or designee. Replacement of damaged or unacceptable produce will be made within 24 hours of original delivery.

20. PACKAGING, PACKING:

Unless otherwise specified, commercial packaging as applicable under these specifications.

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.

Shipping case shall be plainly printed or stenciled on one end showing name of commodity, quantity contained therein, the name of the contractor and the Purchase Order Number.

21. PRICING:

Prices shall remain firm for the initial three month term of the contract. The Vendor is not prohibited from offering a price reduction on its goods offered under the contract. The State is not prohibited from requesting a price reduction on those goods during the initial term or any subsequent options that the State may agree to exercise.

22. QUANTITY:

No quantities are guaranteed. Each facility's usage is only an estimate and is subject to change.

23. PERFORMANCE:

Late Deliveries – Those vendors not making deliveries on the date specified will have their order cancelled for the specific date and will be charged the difference between their bid and the open market purchase price. Three late deliveries to any agency will result in removal from the bidders list for a three month (3) period. If there is a delay anticipated vendors must notify the ordering school. Undelivered items will be purchased open market and the difference charged to the contract vendor.

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.

24. CHRISTINA SCHOOL DISTRICT INVOICES:

Successful bidder will invoice per instructions on purchase order

All Invoices shall be sent to Christina School District, Child Nutrition Services, Eden Support Services Center, 925 Bear-Corbitt Road, Bear, DE 19701.

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
- Contract number

25. CHRISTINA SCHOOL DISTRICT ADDITIONAL REQUIREMENTS

a. MATERIALS

Canned products shall be of the latest season pack at the time of issue of invitation to bid. In all instances, the Year of Pack must be indicated in the space provided in the proposal.

b. QUALITY GRADES

Interpretation of grades and descriptive terms shall be in accordance with latest United States Standards for Grades of Canned Fruits and Vegetables as established by the United States Department of Agriculture. The products offered shall equal or exceed the grade specified.

c. WORKMANSHIP

Canned products shall be prepared, processed and packed under sanitary conditions and in accordance with good commercial practice. The product shall be sufficiently processed by heat to assure preservation of containers as outlined in US Standards for condition of food containers.

d. GUARANTEE

The vendor shall guarantee canned products covered by this bid against spoilage for a period of six (6) months after delivery. The term spoilage refers to swells (Flippers, Springers and Hard Swells) or cans out normal condition for any reason whatsoever. Under this guarantee, the vendor shall replace at no expense to the District all cans rendered unfit for consumption through spoilage during the guarantee period.