



STATE OF DELAWARE
EXECUTIVE DEPARTMENT
OFFICE OF MANAGEMENT AND BUDGET

March 25, 2014

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, October 10, 2014**
CONTRACT NO. GSS14490A-PACK_FOOD
Packaged Food

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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 one (1) year period from April 1, 2014 through March 31, 2015. 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 ninety (90) days prior to the termination of the current agreement.

3. VENDORS

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Addendum #1 is issued to state that Karetas Foods Inc. is no longer an awarded vendor for this contract effective June 30, 2014. This contract remains a mandatory use contract according Delaware Code Title 29, Chapter 6911(d). Items now unavailable within this contract may be sourced through [GSS14719-FOOD, Food & Food Related Solutions and Services](#).

<p>GSS14490A-PACK_FOODV01 Bernard Food Industries, Inc. P.O. Box 1497 Evanston, IL 60204 POC: Ron Lynn PH: 800-323-3663 ext. 23 Email: ron@bernardfoods.com Website: bernardfoods@bernardfoods.com FSF # 0000022036</p>	<p>GSS14490A-PACK_FOODV02 Food Pro Corporation 321 East 5th Street Frederick, MD 21705 POC: Nadine Henard PH: 301-663-3171 ext. 210 Email: nhenard@foodprocorp.com Website: www.foodprocorp.com FSF # 0000094068</p>
<p>GSS14490A-PACK_FOODV03 GFI - Global Food Industries, Inc. 2961 SW 19th Terrace Miami, FL 33145 POC: Sandra Joseph PH: 800-225-4152 Email: sandra@gfiforu.com Website: www.GFIforU.com FSF # 0000205741</p>	<p>GSS14490A-PACK_FOODV04 Good Source Solutions, Inc. 3115 Melrose Dr., Suite 160 Carlsbad, CA 92010 POC: Gil Hines PH: 800-735-4319 Email: gil@goodsource.com Website: www.goodsource.com FSF # 0000046037</p>

<p>GSS14490A-PACK_FOODV05 The Great Gourmet 5115 Clark Canning House Road Federalsburg, MD 21632 POC: Kimberly Scott PH: 410-754-8800 Email: kim@thegreatgourmet.com Website: www.thegreatgourmet.com FSF # 0000069245</p>	<p>GSS14490A-PACK_FOODV06 H. Schrier & Co., Inc. 4901 Glenwood Rd Brooklyn, NY 11234 POC: David Libertoff PH: 718-258-7500 Email: dlibertoff@schrierfoodservice.com Website: www.schrierfoodservice.com FSF # 0000002187</p>
<p>GSS14490A-PACK_FOODV07 Karetas Foods 4012 Tuckerton Court Reading, PA 19605 POC: Vicky Friedmann PH: 610-926-3663 Email: vicky@karetasfoods.com Website: www.karetasfoods.com FSF #: 0000017971</p>	<p>GSS14490A-PACK_FOODV08 Upstate Nutritionals 175 Wofford Road Taylors, SC 29687 POC: Ben Oliver PH: 407-257-9829 Email: bigben0027@att.net Website: N/A FSF #: 0000061240</p>

4. SHIPPING TERMS

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

5. DELIVERY AND PICKUP

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The state reserves the right to add locations or delete locations as needed.

The following agencies are known users of the contract. It should be understood that additional agencies and/or school districts not listed may require service. Route schedules shall be furnished to Food Service Supervisors of each agency within 30 days of contract award.

DEPARTMENT OF HEALTH & SOCIAL SERVICES FACILITIES: Delivery made to DHSS/DSCYF locations should be guaranteed within 72 hours of original order.

GOVERNOR BACON HEALTH CENTER: P.O. Box 599, Delaware City, Delaware, 19706. Monday through Friday, 7:00am to 2:00pm, excluding holidays.

DELAWARE HOSPITAL FOR THE CHRONICALLY ILL: 100 Sunnyside Road, Smyrna, DE 19977. Monday through Friday, 8:00am to 2:00pm, excluding holidays.

DELAWARE PSYCHIATRIC CENTER: 1901 North DuPont Hwy. New Castle, DE 19720. Monday through Friday, 8:00am to 2:00pm, excluding holidays. Deliveries must be during the first week of each month in addition to other times that may be required.

STOCKLEY CENTER: 26351 Patriots Way, Georgetown, DE 19947. Monday through Friday, 8:00am to 4:00pm, excluding holidays.

FERRIS SCHOOL: 959 Centre Road, Wilmington, DE 19805. Monday through Friday, during daylight hours, excluding holidays.

NEW CASTLE COUNTY DETENTION CENTER: 963 Centre Road, Wilmington, DE 19805. Monday through Friday, during daylight hours, excluding holidays.

STEVENSON HOUSE: 700 N. DuPont Blvd., Milford, DE 19963. Monday through Friday, during daylight hours, excluding holidays.

DEPARTMENT OF CORRECTION

JAMES T VAUGHN CORRECTIONAL: Smyrna Landing Road, Smyrna, DE 19977. Deliveries shall be made to the Central Warehouse, Monday-Friday, 6:30 a.m. to 11:00 a.m., and 11:30 a.m. to Noon and shall be accepted by the Correctional Officer Warehouse Supervisor or their designee only. Deliveries will not be accepted on State holidays and weekends.

6. SHIPPING

A packing label must be on each box and include the following items, visible on the outside of the box:

- Contract User's Name
- Address
- Department and floor
- Contact
- Telephone number

A packing slip must also be included which will include information such as:

- Line item description
- Quantity ordered
- Quantity included in shipment
- Any back order items
- Unit Price
- PO number

7. PRICING

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Prices shall remain firm for the term of the contract unless Government Support Services accepts and agrees to a price adjustment as specified below.

All prices shall be quoted in U.S. Dollars.

Please refer to the Pricing Spreadsheet for item pricing.

ADDITIONAL TERMS AND CONDITIONS

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8. 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.

9. 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.

10. PRODUCT SUBSTITUTION

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. 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. The state may also request the submission of nutritional information sheets prior to making a decision to approve and/or add any substitute or alternative product to the contract.

The state's decision to accept alternative products, or substitutions, will be final and binding.

11. 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.

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. GENERAL REQUIREMENTS

- 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).
- There will be no "small order", "minimum order", or "special order" charges or surcharges.
- There will be no return fees for inaccuracies or other errors on the part of the supplier.
- 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.
- 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.

17. 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).

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.

18. PRODUCT GUARANTEES

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.

19. QUALITY ASSURANCE GUARANTEES

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 replace within 48 hours, without charge to Contract Users, any product or part thereof which proves to be defective or fails within the warranty period as specified. Agencies are required to notify the awarded vendor of rejection in writing through facsimile or email notification to the vendor point of contact, and shall retain copies of notices in their files.

If the rejected product cannot, or will not, be replaced by the awarded vendor with identical, approved and usable product within 48 hours, the agency may procure the product elsewhere, and chargeback any cost differences, including cost of handling, if any, to the awarded vendor.

20. EXPIRED PRODUCT

At no time will the state agencies be expected to accept expired product nor should any awarded vendor make attempt to deliver product that has passed its identified product life.

If it is determined that a vendor has delivered expired product, the product shall immediately be rejected by the receiving agency. If expired product is discovered while a shipment(s) is being unpacked, the agency shall notify the vendor within 24 hours and reject the product. Agencies shall notify the vendor in writing through facsimile or electronic correspondence that an expired product has been received, and shall retain copies of such correspondence in their records.

The delivering vendor has 48 hours to remove and replace the expired product with identical or substitute product that has been previously approved by the State. If the expired and rejected product cannot, or will not, be replaced by the awarded vendor with identical, approved and usable product within 48 hours, the agency may procure the product elsewhere, and chargeback any cost differences, including cost of handling, if any, to the awarded vendor.

Additionally, if the vendor refuses to replace or pick up the expired product from the agency within the timeframe specified, the agency will not be held accountable for the billing nor the condition of the

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identified product delivered. The agency's accountability will extend to the thawing of previously frozen material, and if an unhealthy situation is created, the disposal of the rejected product.

21. STOCK ITEMS

All items offered will be considered stock items, unless otherwise noted on the pricing spreadsheet. Please indicate on Appendix A whether the item is an in-stock item and if not the time in which the item can be expected to be in-stock.

22. BACK ORDER

It is the responsibility of the contractor to notify the ordering agency in writing 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. Agencies shall be required to accept back orders within 48 hours of the original delivery date. Agencies shall reserve the right to accept back orders scheduled to take longer than 48 hours to deliver at their discretion, and shall make their decision known to the awarded vendor.

If the time to deliver a back ordered item is longer than 48 hours after original delivery was scheduled, the agency shall retain the ability to cancel the back order product delivery without cost or penalty. The agency is required to inform the awarded vendor of the cancellation in writing through facsimile transmission or email notification to vendor point of contact. Agencies shall retain copies of cancellations in their records.

If the back order is canceled under this back order condition, the agency reserves the right to purchase from an alternative vendor, charging the increase in price and cost of handling, if any, to the original awarded contractor.

23. PRODUCT AVAILABILITY

Suppliers must agree that there will be no cancellation of products used without an equal and acceptable replacement approved by a designated State of Delaware representative, as listed in the final contract, during the term of the agreement. Manufacturer's discontinuation of any products must be communicated to Contract Users by suppliers in writing within two (2) business days. In such instances, suppliers agree to work with Contract Users to identify and implement alternative options that maintain or reduce costs associated with the replacements.

Awarded vendor(s) shall provide alternative product samples to the appropriate agency personnel along with nutritional data information sheets to allow for an approval or rejection of an alternate product.

24. 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 may be subject to penalty.

The receiving agency shall reserve the right to immediately reject any product that has not been previously authorized by agency personnel. An agency's decision to accept delivery of a not previously authorized product is not a guarantee that future deliveries will be automatically accepted, or that the accepted product has become an authorized alternative. If a vendor seeks to include an alternative product as an authorized alternative, the awarded vendor must receive written authorization, or submit a sample and nutritional data information sheet to the agency for testing. Only on acceptance of the substitution, and written identification from the agency that the product has been accepted, shall the vendor consider the product an authorized substitution which will be automatically accepted for future deliveries.

If the agency opts not to accept the delivered product for any reason, the agency shall make note on the bill of lading provided at the time of delivery. Such identification will serve as official notice to the vendor of the rejection, and no further correspondence will be required. The awarded vendor shall be provided with 48 hours within which to provide an authorized product. If the vendor is not willing or is unable to supply the appropriate product to the agency, the agency shall reserve the right to obtain the product from an alternative supplier, and to charge any increase in price and/or cost of handling, if any, to the original awarded contractor.

Unauthorized substitutions are also subject to the RETURNS section below.

25. 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 authorized 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.

26. PLASTIC CONTAINERS

Please utilize plastic jars in place of glass jars, when possible.

27. LABELING

All items shall be packaged and labeled in accordance with accepted trade practices in sufficiently sturdy and clean containers. Labels are to contain nutritional information as well as product contents.

28. FOOD LAWS AND STANDARDS

All products listed herein shall be processed, packaged and delivered in accordance with any and all applicable regulations including those of the Delaware Health Department, U.S. Department of Agriculture, and requirements of the Federal Food, Drug and Cosmetic Act and regulations promulgated there under.

29. GRADES FOR CANNED AND FROZEN FRUITS

All fruits must be of U.S. Grade A quality, they are the very best, with an excellent color and uniform size, weight, shape. They have the proper ripeness and few or no blemishes. This highest grade of fruits is the most flavorful and attractive. If product bid is determined to be inferior quality, the State will not award that item bid.

30. SAMPLES

Upon request by the Agency, the Vendor must comply within one week after the request for samples. The samples must be furnished free of charge, marked and labeled appropriately and delivered to the designated agency. The state agencies, in accordance with FDA and State of Delaware Food Codes, will evaluate these samples, all samples approved and non-approved are at the discretion of the State agencies. Samples must be delivered in the same container that will be used for delivery during the contract period.

Samples must be delivered in the same container that will be used for delivery during the contract period. Products previously submitted for taste testing, and are not approved, will not be re-evaluated or awarded as part of this contract. Samples submitted will not be returned.

31. PENALTIES

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

- Quarterly rate increases for the next quarter will be denied for any five (5) actionable non-performance occurrences per section – DOC, DHSS
- Individual line item will be removed from vendor's award and offered to the next lowest, responsive bidder for the remaining contract term for any three (3) actionable non-performance occurrences per line
- Contract Termination.

32. ONLINE ORDERING

Vendor shall have a quick and convenient way to order food items online, as well as tracking shipments, orders, invoicing, and billing. Online ordering capability should be made available to all utilizing agencies.

33. 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.