



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**  
**CONTRACT NO. GSS14578-MEAT**  
Meat, Poultry, Fish and Dairy

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TABLE OF CONTENTS  
OF  
KEY CONTRACT INFORMATION

1. MANDATORY USE CONTRACT:	2
2. CONTRACT PERIOD:	2
3. VENDORS:	2
4. SHIPPING TERMS:	2
5. DELIVERY AND PICKUP:	3
6. PRICING:	4
ADDITIONAL TERMS AND CONDITIONS	5



## **KEY CONTRACT INFORMATION**

### **1. MANDATORY USE CONTRACT:**

[\(Return to Table of Contents\)](#)

**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:**

[\(Return to Table of Contents\)](#)

Each vendor's contract shall be valid for one (1) year from April 1, 2014 through March 31, 2015. Each contract may be renewed for three (3) additional one (1) year extension 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:**

[\(Return to Table of Contents\)](#)

<b>GSS14578-MEATV01</b> <b>Clark's Trading Company</b> P.O. Box 328 Wales, WI 53183 POC: Clark Beier PH: 262-968-5598 Email: cbeierr@aol.com Website: N/A FSF: 0000027086	<b>GSS14578-MEATV02</b> <b>Good Source Solutions</b> 3115 Melrose Drive, Suite 160 Carlsbad, CA 92010 POC: Gil Hines PH: 800-735-4319 Email: <a href="mailto:gil@goodsource.com">gil@goodsource.com</a> Website: <a href="http://www.goodsource.com">www.goodsource.com</a> FSF: 0000046037
<b>GSS14578-MEATV03</b> <b>The Great Gourmet, Inc.</b> 5115 Clark Canning House Rd Federalsburg, MD 21632 POC: Kimberly Scott PH: 410-754-8800 Email: <a href="mailto:kim@thegreatgourmet.com">kim@thegreatgourmet.com</a> Website: <a href="http://www.goodsource.com">www.goodsource.com</a> FSF: 0000069245	<b>GSS14578-MEATV04</b> <b>Karetas Foods</b> 1012 Tuckerton Court Reading, PA 19605 POC: Wayne Sody PH: 410-344-9106 Email: <a href="mailto:waynesody@comcast.net">waynesody@comcast.net</a> <a href="http://www.karetasfoods.com">www.karetasfoods.com</a> FSF: 0000017971

### **4. SHIPPING TERMS:**

[\(Return to Table of Contents\)](#)

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

5. **DELIVERY AND PICKUP:**

[\(Return to Table of Contents\)](#)

- **DEPARTMENT OF CORRECTIONS**

**DELIVERY LOCATIONS/HOURS OF ACCEPTANCE:**

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

**Deliveries accepted between 6:30 AM and 1:30 PM, Monday through Friday. This location does not accept deliveries between 11:00 AM and 11:45 AM local time and on holidays.**

**DELIVERIES:**

Vendor will deliver as specified on order. **Failure to notify Roy Miller, 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.**

**SHIPMENT:**

No partial shipments accepted per line item.

- **DEPARTMENT OF HEALTH AND SOCIAL SERVICES**

**DELIVERY:**

There will be a weekly order placed every 7 days. 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.**

**In case of unforeseen circumstances, one 'Emergency Need' delivery per month must be permitted. 'Emergency Need' 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.

**USE OF SUBCONTRACTOR FOR DELIVERIES:**

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

**6. PRICING:**

[\(Return to Table of Contents\)](#)

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

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

Please refer to the Pricing Spreadsheet for item pricing.

## **ADDITIONAL TERMS AND CONDITIONS**

[\(Return to Table of Contents\)](#)

### **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.

The contractor must prepare and submit a ***valid*** invoice to the agency. **The invoice must include the DOC Requisition Number on shipping tickets and invoices.**

### **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 of a correct invoice. 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 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's decision to accept alternative products, or substitutions, will be final and binding.

### **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. 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.

**12. 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.

**13. 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.

**14. 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>.

## **15. 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.

## **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 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.

## **18. 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 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.

## **19. 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.**

## **20. STOCK ITEMS**

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

## **21. 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.

## **22. 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.

### **23. 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.

### **24. 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 contracted price 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 contract 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 contracted price and the open market purchase. Three deliveries of inferior merchandise will result in removal from the contract 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 contract will automatically be removed from our contract for the remainder of the contract term.

### **25. 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 three (3) 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.

## **26. DOC TECHNICAL SPECIFICATIONS**

### **a. USDA GRADE STAMP**

All meat products with grade specified must have USDA Grade Stamp on item itself, i.e. Outside Round shall have a purple stamp reading "USDA Select."

### **b. DELIVERY TICKETS**

All delivery tickets, including direct deliveries from the manufacturer or from your warehouse, must reference the FS requisition number, e.g. FS-302, located on the top right hand side of the Department of Correction (DOC) order sheet – failure to comply with this request may result in delayed payment of invoice.

### **c. LABELING REQUIREMENTS**

1. 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

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

Product name and package weight

3. 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."

### **d. ORGANOLEPTIC REQUIREMENTS**

All meats for purpose of this contract shall be free from rancidity; free of fruity, sulfide-like, cardboardy, tallowy, oily, oxidized, metallic, chlorine and other off or foreign odors; free of foreign materials (e.g., glass, metal, paper, rubber); must show no evidence of mishandling or deterioration; and must have bright color with no evidence of dehydration or freezing and thawing. Any product that does not comply with the organoleptic requirements will be rejected for use under this contract.

**e. NEW GOODS, FRESH STOCK**

All contracts, unless otherwise specifically stated shall produce new commodities, fresh stock, latest model, design, or pack.

**f. INTERPRETATION**

Deliveries must be made as directed by the DOC when not in conflict with contract. 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.

**g. EXTENSION OF TIME**

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

**h. METHOD OF CONTAINERS**

Unless otherwise specified, goods shall be delivered in NSF approved commercial packages 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. Containers become the property of the Department unless otherwise definitely specified by vendor.

**i. WEIGHT CHECKING**

Deliveries shall be subject to re-weighting over official sealed scales designated by the State. Payments shall be made on the basis of net weight of materials delivered. Normal shrinkage may be allowed to such instances where shrinkage is possible. Net weights only, exclusive of containers or wrapping, shall be paid for by DOC.

**j. INSPECTION AND TESTS**

Inspection of equipment, materials and supplies shall be made by or at the direction of the Department, or by the agency to which the goods are delivered, and any articles supplied that are defective or fails in any way to meet specifications or other requirements of the contract will be rejected. All laboratory tests required shall be made under the direction of the Purchasing Office. The decision of the DOC on acceptance shall be final.

**27. DHSS TECHNICAL SPECIFICATIONS**

**a. 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.

**b. 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.

**c. PAYMENT OF INVOICES**

Successful vendors 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.

**d. CASH DISCOUNT**

Cash discounts are not permissible and any cash discounts for prompt payment of invoice should have been deducted and net prices only given in the bid.

**e. LABELING**

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

**f. 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
- Expiration Date

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."

**g. 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.

**h. SHIP TO LOCATIONS**

**There will be no minimum orders for the following locations:**

Delaware Psychiatric Center, 1901 N. DuPont Hwy, Main Building, New Castle, DE 19720

Delaware Hospital for the Chronically Ill, 100 Sunnyside Road, Smyrna, DE 19977

Emily P. Bissell Hospital, 3000 Newport Gap Pike, Wilmington, DE 19808

Governor Bacon Health Center, 1 Wilmington Ave, Delaware City, DE 19706

Stockley Center, 26351 Patriots Way, Georgetown, DE 19947

Ferris School, 959 Centre Road, Wilmington, DE 19805