

SERIAL 04168 C SOFT DRINKS AND REFRIGERATED VENDING MACHINE

DATE OF LAST REVISION: January 31, 2008 CONTRACT END DATE: January 31, 2011

CONTRACT PERIOD THROUGH JANUARY 31, 2008 2011

TO: All Departments
FROM: Department of Materials Management
SUBJECT: Contract for **SOFT DRINKS AND REFRIGERATED VENDING MACHINE**

Attached to this letter is published an effective purchasing contract for products and/or services to be supplied to Maricopa County activities as awarded by Maricopa County on **JANUARY 05, 2005**.

All purchases of products and/or services listed on the attached pages of this letter are to be obtained from the vendor holding the contract. Individuals are responsible to the vendor for purchases made outside of contracts. The contract period is indicated above.

Wes Baysinger, Director
Materials Management

BW/mm
Attach

Copy to: Clerk of the Board
 Amie Bristol, MCSO Procurement
 Penny Hatten, Parks
 Materials Management

(Please remove Serial 99131 from your contract notebooks)

SPECIFICATIONS ON INVITATION FOR BID FOR: **SOFT DRINKS AND REFRIGERATED VENDING MACHINE (NIGP CODES 39377, 74085)**

Comment [PM1]: INSERT BID TITLE

1.0 INTENT:

The intent of this Invitation for Solicitation is to establish a contract for soft drinks and the refrigerated vending machine. For reasons of convenience and continuity, the County expects award to be to one (1) vendor. Amendments, supplements and/or revisions will be effective upon receipt and approval of notice to the Department of Materials Management. Also included are blanket discounts for related supplies as covered by current pricing documents.

2.0 TECHNICAL SPECIFICATIONS:

2.1 Soft drinks shall have a minimum shelf life at room temperature of no less than 120 days.

2.2 Required packaging:

2.2.1 Plastic bottle with plastic caps, no metal allowed.

2.2.2 Product content must be 20 fluid ounce.

2.3 Flavors:

2.3.1 Pepsi or equivalent

2.3.2 Diet Pepsi or equivalent

2.3.3 Pepsi Twist or equivalent

2.3.4 Wild Cherry Pepsi or equivalent

2.3.5 7-UP or equivalent

2.3.6 Diet 7-UP or equivalent

2.3.7 Cherry 7-UP or equivalent

2.3.8 A & W Root Beer or equivalent

2.3.9 Slice or equivalent

2.3.10 Squirt or equivalent

2.3.11 Mountain Dew or equivalent

2.3.12 Canada Dry Ginger Ale or equivalent

2.3.13 Dr. Pepper or equivalent

2.3.14 Sierra Mist or equivalent

2.3.15 Hawaiian Punch or equivalent

2.3.16 Strawberry

2.3.17 Grape

2.4 VENDING DEVICES:

- 2.4.1 Minimum of two (2) each vending devices/coolers, compatible with the product to be provided, must be provided on loan, at no cost to Maricopa County for the duration of the contract period. Awarded vendor/respondent will be responsible for initial installation of vending machines.
- 2.4.2 Vending devices/coolers must be equipped with dollar bill acceptor, and be of 110-volt service. Devices to be delivered to Durango Jail facility at 3225 W. Durango St., Phoenix, AZ 85009.
- 2.4.3 Any maintenance and/or repair (not to include malicious damage/vandalism) shall be the sole responsibility of the vendor. Required service must be made within eight (8) working hours of notification. Vendor's access to these devices shall be limited to repair/maintenance only.
- 2.4.4 Due to security requirements, Inmate Canteen personnel will perform refilling of these devices. The vendor shall provide six (6) keys for each device, and detailed instructions on device daily refilling, maintenance and pricing operation. Personal instruction with key personnel is preferred.

2.5 USAGE REPORT:

The Contractor shall furnish the County a quarterly usage report delineating the acquisition activity governed by the Contract. The format of the report shall be approved by the County and shall disclose the quantity and dollar value of each contract item by individual unit.

2.6 TAX:

NO TAX SHALL BE LEVIED AGAINST LABOR. Bid pricing to include all labor, overhead tools and equipment used, profit, and any taxes that may be levied. It is the responsibility of the Contractor to determine any and all taxes and include the same in bid price.

2.7 DELIVERY:

Delivery is required F.O.B. DESTINATION, freight pre-paid within five (5) days of receipt of Purchase Order, to any delivery location within Maricopa County as specified by the County. Contractor shall indicate on Pricing Documentation (Attachment A) any additional freight or handling charges that would be associated with special shipping and/or handling delivery.

It shall be the Contractor's responsibility to meet the County's delivery requirements, as called for in the Technical Specifications. Maricopa County reserves the right to obtain services on the open market in the event the Contractor fails to make delivery and any price differential will be charged against the Contractor.

The Contractor shall retain title and control of all goods until they are delivered and the contract coverage has been completed. All claims for visible or concealed damage shall be filed by the Contractor. The County will notify the Contractor of any damaged goods and shall assist the Contractor in arranging for inspection.

If the Using Agency determines that rush shipping or other alternate shipping is required, it shall notify the Contractor. The Contractor shall determine any additional costs associated with such delivery terms and communicate that cost to the Using Agency via fax or other reasonable means.

The Using Agency shall not advise the Contractor to proceed with shipment until acceptable terms are negotiated and a purchase order is issued. Upon determining that the additional costs are reasonable and proper, the Using Agency shall advise the Contractor to proceed.

Upon receipt of material and invoicing, the Using Agency shall ensure that any additional charges are in compliance with and do not exceed those costs stated in the Contract. The Using Agency shall retain all documents related to these costs within the agency purchase order file, for audit purposes.

2.8 SHIPPING DOCUMENTS

A packing list or other suitable shipping document shall accompany each shipment and shall include the following:

- (1) Name and address of the Contractor;
- (2) Name and address of the County Agency;
- (3) County purchase order number;
- (4) A description of material shipped, including item number, quantity, number of containers and package number, if applicable.

2.9 INVOICING REQUIREMENTS:

A proper invoice billed to the appropriate County agency per the purchase order instructions, whether picked up or delivered, shall accompany all item(s) purchased by the County.

All invoices shall indicate the following:

- (1) Contract number;
- (2) County purchase order number;
- (3) Quantity;
- (4) Description of material, including item number, and any backorders;
- (5) Pricing per unit.

2.10 STOCK:

The Contractor shall be expected to stock sufficient quantities as may be necessary to meet the County's needs.

2.11 BRAND NAME:

Bids on brands other than those listed are subject to approval based on evaluation. Maricopa County reserves the right to request samples to determine quality and acceptability of products bid. In some cases brands have been listed to define quality of products desired and is not intended to be restrictive or limit competition. Products substantially equivalent to those designated shall qualify for consideration.

2.12 SAMPLES:

Contractors may be requested to furnish samples of items proposed for examination by the County. Any items so requested shall be furnished within five (5) working days from the date of request and furnished at no cost to the County and sent to the address designated in the Invitation for Bids.

2.13 PRODUCT DISCONTINUANCE:

In the event that a manufacturer discontinues a product and/or model, the County may allow the successful Contractor to provide a substitute for the discontinued item or may cancel the Contract. If the Contractor requests permission to substitute a new product or model, it shall provide the following to the County:

- 2.13.1 Documentation from the manufacturer that the product of model has been discontinued.
- 2.13.2 Documentation that names the replacement product or model.
- 2.13.3 Documentation that provides clear and convincing evidence that the replacement meets or exceeds all Specifications required by the original Invitation for Bids.
- 2.13.4 Documentation that provides clear and convincing evidence that the replacement will be compatible with all the functions or uses of the discontinued product or model.
- 2.13.5 Documentation confirming that the price for the replacement is the same as or less than the discontinued product or model.

Product discontinuance applies only to those items specifically listed on any resultant contract. This will not apply to catalog items not specifically listed on any resultant contract.

2.14 ADDITIONAL PRICING:

Contractors are strongly encouraged to offer additional pricing for related items/products/components, which are not specifically addressed as line items in the Invitation For Bids. Pricing offered should be noted on the pricing pages of the Contractor response in the format requested.

2.15 CONTRACTOR REVIEW OF DOCUMENTS:

Contractor shall review its bid submission to assure the following requirements are met.

- 2.15.1 One (1) original and one (1) electronic copy of pricing on a 3.5" diskette or CD of all submissions is MANDATORY
- 2.15.2 Pricing pages, MANDATORY (Attachment A)
- 2.15.3 Vendor Information, MANDATORY (Attachment D)
- 2.15.4 Agreement page, MANDATORY (Attachment B)
- 2.15.5 References (Attachment C)

3.0 SPECIAL TERMS & CONDITIONS:

3.1 CONTRACT LENGTH:

This Invitation for Bids is for awarding a firm, fixed price purchasing contract to cover a three (3) year period.

3.2 OPTION TO EXTEND:

The County may, at their option and with the approval of the Contractor, extend the period of this Contract up to a maximum of three (3), one (1) year options. The Contractor shall be notified in writing by the Materials Management Department of the County's intention to extend the contract period at least thirty (30) calendar days prior to the expiration of the original contract period.

3.3 ESCALATION:

ANY REQUEST FOR REASONABLE PRICE ADJUSTMENTS **MUST** BE SUBMITTED THIRTY (30) DAYS PRIOR TO THE Contract expiration date. *Justification* for the requested adjustment in cost of labor and/or materials **must** be supported by appropriate documentation and must be within the Producer Price Index for the commodity. Increases are subject to approval in writing by the Materials Management Department prior to any adjusted invoicing submitted for payment.

3.4 EVALUATION CRITERIA:

The evaluation of this Bid will be based on, but not limited to, the following:

3.4.1 Compliance with specifications

3.4.2 Price

3.4.3 Determination of responsibility

The County reserves the right to award in whole or in part, by item or group of items, by section or geographic area, or make multiple awards, where such action serves the County's best interest.

3.5 UNCONDITIONAL TERMINATION FOR CONVENIENCE:

Maricopa County may terminate the resultant Contract for convenience by providing sixty (60) calendar days advance notice to the Contractor.

3.6 ORDERING AUTHORITY:

Contractors should understand that any request for purchase of materials or services shall be accompanied by a valid purchase order, issued by Materials Management, or by a CAPA (Certified Agency Procurement Aid). **CAPA purchases are limited to values of less than \$2,500.00. No other request is valid.**

3.7 INDEMNIFICATION AND INSURANCE:

3.7.1 INDEMNIFICATION.

To the fullest extent permitted by law, CONTRACTOR shall defend, indemnify, and hold harmless COUNTY, its agents, representatives, officers, directors, officials, and employees from and against all claims, damages, losses and expenses, including, but not limited to, attorney fees, court costs, expert witness fees, and the cost of appellate proceedings, relating to, arising out of, or alleged to have resulted from the acts, errors, omissions or mistakes relating to the performance of this Contract. **CONTRACTOR'S** duty to defend, indemnify and hold harmless COUNTY, its agents, representatives, officers, directors, officials, and employees shall arise in connection with any claim, damage, loss or expense that is attributable to bodily injury, sickness, disease, death, or injury to, impairment, or destruction of property, including loss of use resulting therefrom, caused by any acts, errors, omissions or mistakes in the performance of this Contract including any person for whose acts, errors, omissions or mistakes **CONTRACTOR** may be legally liable.

The amount and type of insurance coverage requirements set forth herein will in no way be construed as limiting the scope of the indemnity in this paragraph.

3.7.2 Abrogation of Arizona Revised Statutes Section 34-226.

In the event that A.R.S. § 34-226 shall be repealed or held unconstitutional or otherwise invalid by a court of competent jurisdiction, then to the fullest extent permitted by law, **CONTRACTOR** shall defend, indemnify and hold harmless **COUNTY**, its agents, representatives, officers, directors, officials and employees from and against all claims, damages, losses and expenses (including but not limited to attorney fees, court costs, and the cost of appellate proceedings), relating to, arising out of, or resulting from **CONTRACTOR'S** work or services. **CONTRACTOR'S** duty to defend, indemnify and hold harmless, **COUNTY**, its agents, representatives, officers, directors, officials and employees shall arise in connection with any claim, damage, loss or expense that is attributable to bodily injury, sickness, disease, death, injury to, impairment or destruction of property including loss of use resulting therefrom, caused in whole or in part by any act or omission of **CONTRACTOR**, anyone **CONTRACTOR** directly or indirectly employs or anyone for whose acts **CONTRACTOR** may be liable, regardless of whether it is caused in part by a party indemnified hereunder, including **COUNTY**.

The scope of this indemnification does not extend to the sole negligence of **COUNTY**.

3.7.3 Insurance Requirements.

CONTRACTOR, at **CONTRACTOR'S** own expense, shall purchase and maintain the herein stipulated minimum insurance from a company or companies duly licensed by the State of Arizona and possessing a current A.M. Best, Inc. rating of B++6. In lieu of State of Arizona licensing, the stipulated insurance may be purchased from a company or companies, which are authorized to do business in the State of Arizona, provided that said insurance companies meet the approval of **COUNTY**. The form of any insurance policies and forms must be acceptable to **COUNTY**.

All insurance required herein shall be maintained in full force and effect until all work or service required to be performed under the terms of the Contract is satisfactorily completed and formally accepted. Failure to do so may, at the sole discretion of **COUNTY**, constitute a material breach of this Contract.

CONTRACTOR'S insurance shall be primary insurance as respects **COUNTY**, and any insurance or self-insurance maintained by **COUNTY** shall not contribute to it.

Any failure to comply with the claim reporting provisions of the insurance policies or any breach of an insurance policy warranty shall not affect coverage afforded under the insurance policies to protect **COUNTY**.

The insurance policies may provide coverage, which contains deductibles or self-insured retentions. Such deductible and/or self-insured retentions shall not be applicable with respect to the coverage provided to **COUNTY** under such policies. **CONTRACTOR** shall be solely responsible for the deductible and/or self-insured retention and **COUNTY**, at its option, may require **CONTRACTOR** to secure payment of such deductibles or self-insured retentions by a surety bond or an irrevocable and unconditional letter of credit.

COUNTY reserves the right to request and to receive, within 10 working days, certified copies of any or all of the herein required insurance policies and/or endorsements. **COUNTY** shall not be obligated, however, to review such policies and/or endorsements or to advise **CONTRACTOR** of any deficiencies in such policies and endorsements, and such receipt shall not relieve **CONTRACTOR** from, or be deemed a waiver of **COUNTY'S** right to insist on strict fulfillment of **CONTRACTOR'S** obligations under this Contract.

The insurance policies required by this Contract, except Workers' Compensation, shall name **COUNTY**, its agents, representatives, officers, directors, officials and employees as Additional Insureds.

The policies required hereunder, except Workers' Compensation, shall contain a waiver of transfer of rights of recovery (subrogation) against **COUNTY**, its agents, representatives, officers, directors, officials and employees for any claims arising out of **CONTRACTOR'S** work or service.

- 3.7.3.1 Commercial General Liability. **CONTRACTOR** shall maintain Commercial General Liability Insurance (CGL) and, if necessary, Commercial Umbrella Insurance with a limit of not less than \$1,000,000 for each occurrence with a \$2,000,000 Products/Completed Operations Aggregate and a \$2,000,000 General Aggregate Limit. The policy shall include coverage for bodily injury, broad form property damage, personal injury, products and completed operations and blanket contractual coverage including, but not limited to, the liability assumed under the indemnification provisions of this Contract which coverage will be at least as broad as Insurance Service Office, Inc. Policy Form CG 00 01 10 93 or any replacements thereof. There shall be no endorsement or modification of the CGL limiting the scope of coverage for liability arising from explosion, collapse, or underground property damage.

The policy shall contain a severability of interest provision, and shall not contain a sunset provision or commutation clause, or any provision, which would serve to limit third party action over claims.

The CGL and the commercial umbrella coverage, if any, additional insured endorsement shall be at least as broad as the Insurance Service Office, Inc.'s Additional Insured, Form CG 20 10 10 01, and shall include coverage for **CONTRACTOR'S** operations and products.

- 3.7.3.2 Automobile Liability. **CONTRACTOR** shall maintain Automobile Liability Insurance and, if necessary, Commercial Umbrella Insurance with a combined single limit for bodily injury and property damage of no less than \$1,000,000, each occurrence, with respect to **CONTRACTOR'S** vehicles (including owned, hired, non-owned), assigned to or used in the performance of this Contract. If hazardous substances, materials, or wastes are to be transported, MCS 90 endorsement shall be included and \$5,000,000 per accident limits for bodily injury and property damage shall apply.

- 3.7.3.3 Workers' Compensation. **CONTRACTOR** shall carry Workers' Compensation insurance to cover obligations imposed by federal and state statutes having jurisdiction of **CONTRACTOR'S** employees engaged in the performance of the work or services, as well as Employer's Liability insurance of not less than \$100,000 for each accident, \$100,000 disease for each employee, and \$500,000 disease policy limit.

CONTRACTOR waives all rights against **COUNTY** and its agents, officers, directors and employees for recovery of damages to the extent these damages are covered by the Workers' Compensation and Employer's Liability or commercial umbrella liability insurance obtained by **CONTRACTOR** pursuant to this agreement.

In case any work is subcontracted, **CONTRACTOR** will require the Subcontractor to provide Workers' Compensation and Employer's Liability insurance to at least the same extent as required of **CONTRACTOR**.

3.7.4 Certificates of Insurance.

3.7.4.1 Prior to commencing work or services under this Contract, Contractor shall have insurance in effect as required by the Contract in the form provided by the County, issued by Contractor's insurer(s), as evidence that policies providing the required coverage, conditions and limits required by this Contract are in full force and effect. Such certificates shall be made available to the County upon 48 hours notice. **BY SIGNING THE AGREEMENT PAGE THE CONTRACTOR AGREES TO THIS REQUIREMENT AND FAILURE TO MEET THIS REQUIREMENT WILL RESULT IN CANCELLATION OF CONTRACT.**

In the event any insurance policy(ies) required by this contract is(are) written on a "claims made" basis, coverage shall extend for two years past completion and acceptance of **CONTRACTOR'S** work or services and as evidenced by annual Certificates of Insurance.

If a policy does expire during the life of the Contract, a renewal certificate must be sent to **COUNTY** fifteen (15) days prior to the expiration date.

3.7.4.2 Cancellation and Expiration Notice.

Insurance required herein shall not be permitted to expire, be canceled, or materially changed without thirty (30) days prior written notice to the County.

3.8 **PROCUREMENT CARD ORDERING CAPABILITY:**

It is the intent of Maricopa County to utilize a procurement card that may be used by the County from time to time, to place and make payment for orders under the Contract. Contractors without this capability may be considered non-responsive and not eligible for award consideration.

3.9 **INTERNET ORDERING CAPABILITY:**

It is the intent of Maricopa County to utilize the Internet to place orders under this Contract. Contractors without this capability may be considered non-responsive and not eligible for award consideration.

3.10 **INQUIRIES AND NOTICES:**

All inquiries concerning information herein shall be addressed to:

MARICOPA COUNTY
DEPARTMENT OF MATERIALS MANAGEMENT
ATTN: CONTRACT ADMINISTRATION
320 W. LINCOLN ST.
PHOENIX, AZ 85003

Administrative telephone inquiries shall be addressed to:

ANDREA STUPKA, PROCUREMENT CONSULTANT, 602-506-3504
(astupka@mail.maricopa.gov)

Technical telephone inquiries shall be addressed to:

Crystal Wester, Sheriff's Procurement, 602-876-3408.

Inquiries may be submitted by telephone but must be followed up in writing. **NO ORAL COMMUNICATION IS BINDING ON MARICOPA COUNTY.**

3.11 SUBMISSION PRICE CLARITY:

For reasons of clarity all submissions of pricing (Attachment A) shall be priced in the same unit (size, volume, quantity, weight, etc.) as the bid specifications request. Submissions (bids) failing to comply with this requirement may be declared non-responsive.

3.12 INSTRUCTIONS FOR PREPARING AND SUBMITTING BIDS:

Bidders are to provide one (1) original "hard copy" (labeled) and one (1) electronic copy of pricing on a 3.5" diskette or CD. Bidders are to identify their responses with the bid serial number, title and return address to Maricopa County, Department of Materials Management, 320 West Lincoln, Phoenix, Arizona 85003. A corporate official who has been authorized to make such commitments must sign bids.

KALIL BOTTLING COMPANY, PO BOX 26888, TUCSON, AZ 85726-6888

931 S HIGHLAND AVENUE, TUCSON, AZ 85719

WILLING TO ACCEPT FUTURE SOLICITATIONS VIA EMAIL: ____ YES NO

WILL YOUR FIRM ACCEPT A PROCUREMENT CARD FOR INVOICE PAYMENT? YES NO

REBATE (CASH OR CREDIT) FOR UTILIZING PROCUREMENT CARD: YES NO % REBATE
(Payment shall be made within 48 hrs utilizing the Purchasing Card)

INTERNET ORDERING CAPABILITY: ____ YES NO ____ % DISCOUNT

OTHER GOV'T. AGENCIES MAY USE THIS CONTRACT: ____ YES NO

PRICING:

NOTE: DO NOT INCLUDE SALES/USE TAX IN YOUR BID PRICE. The percentage of sales/use tax applicable to this contract will be listed on the purchase order and allowed at time of payment. BIDDERS CERTIFY BY SIGNING THIS AGREEMENT THAT PRICES BID ARE F.O.B. DESTINATION IN ACCORDANCE WITH THE TERMS AND CONDITIONS SET FORTH HEREIN.

ITEM DESCRIPTION	ESTIMATED MONTHLY USAGE (by each)	BRAND / MANUFACTURER	UNIT PRICE
<u>Flavors:</u>			
Pepsi or equivalent	6000	RC Cola	Effective 02/01/08 \$ 0.354 0.29 per bottle
Diet Pepsi or equivalent	6000	Diet RC	\$ 0.354 0.29 per bottle
Pepsi Twist or equivalent	500	N / A	N / A
Wild Cherry Pepsi or equivalent	2500	Cherry RC	\$ 0.354 0.29 per bottle
7-UP or equivalent	3000	7UP	\$ 0.354 0.29 per bottle
Diet 7-UP or equivalent	500	Diet 7UP	\$ 0.354 0.29 per bottle
Cherry 7-UP or equivalent	500	Cherry 7 UP	\$ 0.354 0.29 per bottle
A & W Root Beer or equivalent	3000	A&W Root Beer	\$ 0.354 0.29 per bottle
Slice or equivalent	1000	N / A	N / A
Squirt or equivalent	2500	Squirt	\$ 0.354 0.29 per bottle
Mountain Dew or equivalent	3000	N / A	N / A
Canada Dry Ginger Ale or equivalent	500	Canada Dry Ginger Ale	\$ 0.354 0.29 per bottle
Dr. Pepper or equivalent	3000	Dr. Good Guy	\$ 0.354 0.29 per bottle
Sierra Mist or equivalent	500	N / A	N / A
Hawaiian Punch or equivalent	500	N / A	N / A
Strawberry	3000	Good Guy Strawberry	\$ 0.354 0.29 per bottle
Grape	3000	Welch's Grape	\$ 0.354 0.29 per bottle

KALIL BOTTLING COMPANY, PO BOX 26888, TUCSON, AZ 85726-6888
931 S HIGHLAND AVENUE, TUCSON, AZ 85719

ADDITIONAL PRICING:

Additional Flavors:

7UP Plus	\$ 0.354 0.29 per bottle
DNL	\$ 0.354 0.29 per bottle

~~C892501 / B0608917~~ NIGP CODE 3937701, 7408501

Terms: NET 30

Vendor Number: **W000003999 X**

Telephone Number: 520-622-5811

Fax Number: 520-623-6662

Contact Person: ~~John Crawford (602-437-0900)~~ **Philip Gagner or George Kalil**

E-Mail Address: pgagner@kalilbottling.com gkalil@kalilbottling.com

Insurance Certificate Required

Contract Period: To cover the period ending **January 31, 2008 2011.**