

BLANKET PURCHASE ORDER

STATE OF MARYLAND

***** STATE OF MARYLAND *****

BPO NO: 001B6400252

PRINT DATE: 08/05/16

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SHIP TO: AS SPECIFIED ON INDIVIDUAL ORDERS		
VENDOR ID: MIK INDUSTRIES INC 9115 G WHISKEY BOTTOM RD LAUREL, MD 20723 (301)497-1990	REFER QUESTIONS TO: BJ SAID-AZIZ (410)767-4281 BJ.SAID-AZIZ@MARYLAND.GOV	
ITB: 001IT820027	EXPR DATE: 10/31/17 POST DATE: 11/25/15	DISCOUNT TERMS: . NET 30 DAY CONTRACT AMOUNT: .00

TERMS:

ARTICLES HEREIN ARE EXEMPT FROM MARYLAND SALES AND USE TAXES BY EXEMPTION CERTIFICATE NUMBER 3000256-3 AND FROM FEDERAL EXCISE TAXES BY EXEMPTION NUMBER 52-73-0358K. IT IS THE VENDOR'S RESPONSIBILITY TO ADVISE COMMON CARRIERS THAT AGENCIES OF THE STATE OF MARYLAND ARE EXEMPT FROM TRANSPORTATION TAX.

STATEWIDE CONTRACT
FOR
FROZEN JUICES

CONTRACT PERIOD: DECEMBER 1, 2015 THROUGH NOVEMBER 30, 2017
WITH THREE (3) ONE YEAR RENEWAL OPTIONS WITH THE SAME TERM AND
CONDITIONS.

THIS CONTRACT IS A FIXED PRICE CONTRACT WITH ADJUSTMENT. PRICE
ADJUSTMENTS WILL BE ALLOWED PER THE TERMS BELOW UNDER "PRICE
ESCALATION/DE-ESCALATION."
THIS SOLICITATION IS FOR AN INDEFINITE QUANTITY TERM CONTRACT TO
SUPPLY THE STATE OF MARYLAND AGENCIES WITH THEIR REQUIREMENTS FOR
FROZEN JUICES AS SPECIFIED

QUOTED PRICES ARE TO BE NET 30 DAYS F.O.B. TO ANY POINT WITHIN THE
STATE OF MARYLAND, AND INCLUDE FREIGHT/SHIPPING, HANDLING AND
ADMINISTRATION CHARGES. ALL DISCOUNTS ARE TO BE DEDUCTED AND
REFLECTED IN NET PRICES.

PROCESSING FEE -
1. CONTRACTOR SHALL PAY A PROCESSING FEE TO THE STATE IN THE AMOUNT
OF ONE PERCENT (1%) OF THE TOTAL CONTRACT SALES. THE PROCESSING FEE

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TERMS (cont'd):

IS CALCULATED BASED ON ALL SALES TRANSACTED UNDER THE CONTRACT, MINUS ANY RETURNS OR CREDITS. THE PROCESSING FEE SHALL NOT BE CHARGED DIRECTLY TO THE CUSTOMER, E.G., AS A SEPARATE LINE ITEM, FEE OR SURCHARGE, BUT SHALL BE INCLUDED IN THE CONTRACT'S UNIT PRICES.

2. THE PROCESSING FEE SHALL BE SUBMITTED TO THE DEPARTMENT OF GENERAL SERVICES, FISCAL SERVICES DIVISION, 301 W. PRESTON STREET, ROOM 1309, BALTIMORE, MD., 21201, WITHIN TEN (10) CALENDAR DAYS FOLLOWING THE END OF EACH CALENDAR MONTH ALONG WITH A MONTHLY USAGE REPORT DOCUMENTING ALL CONTRACT SALES. AN EXCEL VERSION OF THE MONTHLY USAGE REPORT SHALL ALSO BE EMAILED TO THE PROCUREMENT OFFICER.

3. FAILURE TO REMIT PROCESSING FEES IN A TIMELY MANNER OR REMITTANCE OF FEES INCONSISTENT WITH THE CONTRACT'S REQUIREMENTS MAY RESULT IN THE STATE EXERCISING ALL RECOURSE AVAILABLE UNDER THE CONTRACT INCLUDING, BUT NOT LIMITED TO, A THIRD PARTY AUDIT OF ALL CONTRACT ACTIVITY. SHOULD AN AUDIT BE REQUIRED BY THE STATE, THE CONTRACTOR SHALL REIMBURSE THE STATE FOR ALL COSTS ASSOCIATED WITH THE AUDIT UP TO \$10,000.00 OR ONE (1%) PERCENT OF THE CONTRACT'S ESTIMATED ANNUAL VALUE, WHICHEVER IS HIGHER.

THE PRICE ADJUSTMENT FOR THE RENEWALS SHALL BE NEGOTIATED AND MUTUALLY AND MUTUALLY AGREED UPON BY DGS AND THEN CONTRACTORS. ALTHOUGH EACH NEGOTIATION WILL BE CARRIED OUT INDEPENDENTLY, THE PERCENTAGE INCREASE OR THE MONETARY INCREASE SHALL BE THE SAME FOR ALL VENDOR. DGS RESERVES THE RIGHT TO RENEW ANY AND/OR ALL CONTRACTOR'S CONTRACT. ANY CONTRACTS WHICH ARE NOT RENEWALED WILL BE COMPETITIVELY RE-BID. ESTIMATED QUANTITIES (ATTACHMENT 'A') WILL BE PROVIDED FOR ANY OR ALL RENEWAL OPTIONS. UPON RENEWAL, THE EXISTING CONTRACT TERMS AND CONDITIONS WILL APPLY.

DELIVERY CHARGES. BID PRICES MUST INCLUDE ALL THESE CHARGES.

ALL ORDERS WILL BE SHIPPED AND BILLED DIRECT TO EACH AGENCY. AGENCY AUTHORIZED AGENTS (AGENCY BUYERS) WILL BE REQUIRED TO ISSUE WRITTEN OR FAXED ORDERS TO SUCCESSFUL VENDOR (S). TELEPHONE ORDERS MUST BE FOLLOW UP WITH ISSUANCE OF A PURCHASE ORDER WITHIN 48 HOURS.

MINIMUM ORDER QUANTITIES FOR F.O.B. DELIVERED-MINIMUM ORDER ACCEPTABLE FOR CONTRACT PRICING IS \$500.00 ON ANY ITEM OR COMBINATION OF ITEMS. ON ORDERS UNDER \$500.00 PER SINGLE DELIVERY, THE VENDOR MAY ELECT TO ADD A DELIVERY CHARGE NOT TO EXCEED THE ACTUAL DELIVERY COSTS INCURRED BY THE VENDOR. INCREASES SHALL BE CALAULATED AND ADDED TO INVOICES AS A SEPARATE LINE ITEM. PROOF OF ACTUAL DELIVERY COSTS MAY BE REQUIRED.

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TERMS (cont'd):

ALL QUOTES SHALL INCLUDE DELIVERY FREQUENCY OF NOT MORE THAN TWO (2) DELIVERIES PER MONTH FOR EACH AGENCY FOR THE DURATION OF THE CONTRACT. AGENICES MAY OPT FOR LESS FREQUENT DELIVERIES.

SECURES FACILITIES:

SECURITY CONCERNS VARY STATEWIDE, BUT ARE ESPECICALLY IMPORTANT AT CORRECTIONAL FACILITIES AND CERTAIN OTHER FACILITIES. CONTRACTOR'S AND SUBCONTRACTOR'S EMPLOYEE SHALL COMPLY WITH THE SECURITY REQUIREMENT AT EACH FACILITY. AUTHORIZED USERS ARE REPONSIBLE FOR ALERTING CONTRACT TO THESE REQUIREMENTS BEFORE OR WHICH PLACEING THEIR FIRST ORDER.

CONTRACTORS ARE AWARE THAT COMMON SECURITY RSETRICCTIONS INCLUDE: IDENTIFICATION -ALL OF CONTRACTORS'S AND SUBCONTRACTORS' EMPLOYEES, WHILE WORKING ON STATE PROPERTY, SHALL CARRY OR DISPLAY ACCEPTABLE INDENTIFICATION. REQUIREMENT VARY BY AUTHORIZED USERS. FOR INSTANCE, SOME FACILITIES REQURE A VISIBLE PHOTO-ID BADGE, WHILE OTHER MAY REQUIRE A VALID DRIVER'S LICENSE INSTEAD.

VEHICLE SECURITY-IN MANY LOCATIONS, DRIVERS SHALL TURN OFF VEHICLE MOTORS AND LOCK CAB DOORS WHERE THEIR TRUCK IS UNATTENDED.

PATIENT/INMATE CONTACT -DELIVERY PERSONNEL SHOULD MINIMIZE INTERACTION WITH INMATES OR PATIENTS, AND SHALL REPORT ANY VERBAL CONTACT TO THE AUTHORIZED USED BEFORE LEAVING THE SITE.

DRIVERS WHO ENTER HIGH SECURITY FACILITIES SHALL HAVE PRIOR APPROVAL TO ENTER FROM SECURITY STAFF, GENERALLY INVOLVING A BACKGROUND CHECK TO ENSURE THAT THEY ARE NOT CONVICTED FELONS. AT SOME FACILITIES, TRUCKS SHALL BE SEARCHED PRIOR TO ENTRY AND EXIT, CAUSING UP TO 30 MIMUTES DELAY EACH WAY.

AT CORRECTIONAL FACILITIES AND YOUTH CENTERS, DRIVERS CAN NOT HAVE ANY WEAPONS (INCLUDING JACK KNIVES OR BOX CUTTERS), CELL PHONES, PAGERS, DRUGS TOBACCO PRODUCT OR ANY ITEM DEEMED TO BE POTENTIAL CONTRABAND CORRECTIONAL OFFICERS CAN HOLD THESE ITEMS FOR DRIVERS AT THE DELIVERY SALLY-PORT AND RETURN THEM AS THE DRIVER EXIT THE GROUND. ANY ILLEGAL ITEM SHALL NOT RETURNED.

PRICE ESCALATION/DE-ESCALATION:

1. AT THE TIME OF EACH RENEWAL, THE CONTRACTOR MAY REQUEST AN INCREASE OF THE PRICES THEN PREVALILING. THE REQUEST FOR A PRICE INCREASE MUST BE SUBMITTED WITHIN TWO (2) WEEKS OF THE NOTICE FROM THE DGS PROCUERMENT OFFICER OF THE STATE'S INTENT TO EXERCISE THE RENEWAL OPTION.

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TERMS (cont'd):

2. THE INCREASE IS NOT TO EXCEED THE CURRENT RATE OF INFLATION, AS DETERMINED BY THE PRODUCER PRICE INDEX (PPI) FOR FROZEN JUICES, ADES, DRINK AND COCKTAIL COMMODITY CODE NUMBER W9U024203 NOT SEASONALLY ADJUSTED; FOUND AT WWW.BLS.GOV /PPI/.COM. THE INCREASE WILL BE BASED ON THE INDEX VALUE FOR AUGUST 2012 AND THE MOST RECENT FINAL INDEX AVAILABLE ON THE BLS WEBSITE AT THE TIME OF THE REQUEST. ALL OTHER TERMS, CONDITIONS AND SPECIFICATIONS WILL REMAIN THE SAME.

3. ONCE A PRICE INCREASE HAS BEEN APPROVED, NO FURTHER INCREASE SHALL BE CONSIDERED FOR THE PERIOD OF TWELVE (12) MONTHS. SUBSEQUENT INCREASES WILL BE BASED ON THE FINAL INDEX VALUE USED ON THE PRECEDING ADJUSTMENT AND THE MOST RECENT FINAL INDEX VALUE AVAILABLE ON THE BLS WEBSITE AT THE TIME OF THE CURRENT REQUEST. THE STATE RESERVES THE RIGHT NOT TO ALLOW A PRICE INCREASE, IN WHICH CASE THE CONTRACT FOR THE ITEM WHICH AN INCREASE WAS DENIED WILL BE CANCELLED IF REQUESTED BY THE VENDOR.

4. THE INCREASED CONTRACT PRICE SHALL NOT APPLY TO ORDERS RECEIVED BY THE CONTRACT PRIOR TO THE EFFECTIVE DATE OF THE APPROVED INCREASED CONTRACT UNIT PRICE. ORDER PLACED VIA PURCHASE ORDER, SHALL BE CONSIDERED TO HAVE BEEN RECEIVED BY THE CONTRACT AFTER THE FIFTH (5TH) CALENDAR DAY FOLLOWING THE DATE OF ISSUANCE. THE PROCUREMENT OFFICER MAY CANCEL, WITHOUT LIABILITY TO EITHER PARTY, ANY PORTION OF THE CONTRACT AFFECTED BY THE REQUESTED INCREASE AND ANY MATERIALS, SUPPLIES OR SERVICES UNDELIVERED AT THE TIME OF SUCH CANCELLATION. INVOICES REFLECTING 'NEW' PRICES WILL NOT BE PROCESSED FOR DELIVERIES OF GOODS RECEIVED PRIOR TO THE INCREASE APPROVAL DATE.

5. PRICE DECREASES SHALL ALSO BE PASSED ON TO THE STATE AND DO NOT REQUIRE VERIFICATION. DECREASES BECOME EFFECTIVE IMMEDIATELY UPON

NOTIFICATION:

ADDITIONAL TERMS & CONDITION:

ANY ITEM LISTED HEREIN THAT IS NOT DELIVERED IN A TIMELY MANNER OR DOES NOT CONFORM TO THE REQUIREMENT OF PURCHASE ORDER, MAY BE PURCHASED ON THE OPEN MARKET BY THE USING AGENCY. THE CONTRACTED VENDOR WILL BE CHARGED FOR ANY PRODUCT COST INCURRED BY THE STATE THAT IS IN EXCESS OF THE CONTRACTED PRICE.

VENDOR UNABLE TO MAKE SCHEDULED DELIVERY FOR ANY REASON SHALL NOTIFY RECIPIENT AGENCY IN ADVANCE (24 HOUR MINIMUM IF POSSIBLE) OF SCHEDULED DELIVERY DATE AND TIME.

QUANTITIES SHOWN ARE FOR A TWELVE (12) MONTH PERIOD AND ARE APPROXIMATE. THEY ARE NOT TO BE CONSTRUED AS MINIMUM OR MAXIMUM THIS

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CONTRACT DOES NOT OBLIGATE THE STATE TO PURCHASE ANY MINIMUM QUANTITY OR DOLLAR VALUE DURING THE CONTRACT PERIOD.

THE CONTRACTOR WILL BE ENTITLED TO NO CHANGE IN CONTRACT PRICE IF QUANTITIES ORDER OR DELIVERED ARE MORE OR LESS THAN THE QUANTITIES ESTIMATED IN THIS SOLICITATION. THE CONTRACTOR WILL BE PAID FOR ALL ITEMS AND QUANTITIES ORDERED OR DELIVERED UNDER THE CONTRACT AT THE PRICE BID, REGARDLESS OF ITEMS OR QUANTITIES PREVIOUSLY ORDER OR DELIVERED. ITEMS MAY BE ADDED OR DELETED FROM THIS CONTRACT AS REQUIRED.

SUBSTITUTION MAY NOT BE MADE WITHOUT PRIOR CONSENT OF THE ORDERING AGENCY.

VENDOR MUST INCLUDE THE 9-DIGIT ZIP CODE OF COMPANY ADDRESS ON ALL INVOICES. FAILURE TO DO SO MAY RESULT IN DELAY OF PAYMENT.

ALL PRODUCTS USED IN PACKING TO CUSHION AND PROTECT DURING THE SHIPMENT OF COMMODITIES ARE TO BE MADE OF RECYCLED, RECYCLABLE, AND/OR BIODEGRADABLE MATERIALS.

CORPORATE 'P' PURCHASING CARDS WILL BE USED FOR PAYMENT FOR ALL INDIVIDUAL AGENCY CONTRACT PURCHASES FO \$5,000 OR LESS.

A REPORT MUST BE FURNISHED BY THE SUCCESSFUL VENDOR EVERY SIX (6) MONTH DETAILING THE PURCHASE OF ALL ITEMS ON CONTRACT . THE REPORT SHALL BE SUBMITTED ELECTRONICALLY IN EXCEL FORMAT .AS A MINIMUM, THE REPORT SHALL REFLECT THE CONTRACT NUMBER, CONTRACT ITEM NUMBER AND DESCRIPTION, THE DOLLOR VOLUME PURCHASED OF EACH ITEM, AGENCY IDENTIFICATION, AND THE CONTRACT TOTAL. THE REPORT MUST BE FILED WITHIN THIRTY (30) DAYS AFTER THE END OF EACH REPORTING PERIOD.

ANY EXCEPTION TO THIS MANDATORY REQUIREMENT MAY RESULT IN CANCELLATION OF THE AWARD. FAULURE TO PROVIDE THE REPORT WITH THE MINIMUM REQUIRED INFORMATION MAY ASLO NEGATE ANY CONTRACT EXTENSION CLAUSE. REPORT SHALL BE EMAILED TO FOLLOWING TWO (2)

ADDRESSES:

BJ.SAID-AZIZ@MARYLAND.GOV

AWAWU.SALAKO@MARYLAND.GOV

DURATION: CONTRACT SHALL REMAIN IN EFFECT FOR THE TIME PERIOD AND QUANTITY SPECIFED UNLESS THE CONTRACT IS TERMINATED BY THE STAE. THE STATE MAY TERMINATE ANY CONTRACT WITHOUT SHOWING CAUSE UPON THIRTY (30) DAYS WRITTEN NOTICE TO THE CONTRACTOR.

IN THE EVENT IT BECOMES NECESSARY TO TERMINATE THE CONTRACT FOR

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UNSATISFACTORY PERFORMANCE, THE REMAINING PORTION OF THE CONTRACT WILL BE AWARDED TO THE NEXT LOWEST BIDDER ON RECORD IF THIS ARRANGEMENT PROVES TO BE MUTUALLY AGREEABLE.

THE MARYLAND DEPARTMENT OF GENERAL SERVICES' 'TERM AND CONDITIONS FOR COMMODITY CONTRACT OVER \$25,000' INCORPORATED HEREIN BY REFERENCE.

<u>LINE #</u>	<u>STATE ITEM ID</u>	<u>U/M</u>	<u>UNIT COST</u>	
0010	38554-01RICA	CS	7.9300	
APPLE JUICE FROZEN				
APPLE JUICE, FROZEN FROM CONCENTRATE PACKED 72/4OZ INDIVIDUAL CONTAINERS/CASE 100% JUICE				
0011	38554	EA	8.2400	
JUICES, FROZEN				
FRUIT PUNCH, FROZEN FROM CONCENTRATE PACKED 72/4OZ INDIVIDUAL CONTAINERS/CASE 100% JUICE				
0012	38554-03RICA	CS	7.5400	
CRANBERRY JUICE FROZEN				
CRANBERRY JUICE, FROZEN FROM CONCENTRATE PACKED 72/4OZ INDIVIDUAL CONTAINERS/CASE 100% JUICE				

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<u>LINE #</u>	<u>STATE ITEM ID</u>	<u>U/M</u>	<u>UNIT COST</u>
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0013	38554	EA	9.3200
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JUICES, FROZEN
GRAPE JUICE, FROZEN FROM CONCENTRATE PACKED 72/4OZ INDIVIDUAL
CONTAINERS/CASE 100% JUICE

0014	38554-02RICA	CS	9.6600
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ORANGE JUICE FROZEN
ORANGE JUICE, FROZEN FROM CONCENTRATE PACKED 72/4OZ INDIVIDUAL
CONTAINERS/CASE 100% JUICE

0015	38554	EA	10.3000
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JUICES, FROZEN
PINEAPPLE JUICE, FROZEN FROM CONCENTRATE PACKED 72/4OZ INDIVIDUAL
CONTAINERS/CASE 100% JUICE

0016	38554	EA	9.2700
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JUICES, FROZEN
APPLE CRANBERRY JUICE, FROZEN FROM CONCENTRATE PACKED 72/4OZ
INDIVIDUAL CONTAINERS/CASE 100% JUICE

0017	39399-152XXX	EA	10.2000
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JUICE, ORANGE/PINEAPPLE
ORANGE PINEAPPLE JUICE, FROZEN FROM CONCENTRATE PACKED 72/4OZ
INDIVIDUAL CONTAINERS/CASE 100% JUICE

END OF ITEM LIST

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AUTHORIZED BY: _____ DATE: _____

BUYER AUTHORIZED DESIGNEE