

Statement of Work E-Cigarettes

Contract Scope: This solicitation 6100044605 will result in a multiple award contract to meet the requirement of the Department of Corrections (DOC) for the procurement of single unit e-cigarettes.

There will initially be one delivery location:
PCI Commissary (SCI Mahanoy) 301 Morea Road, Frackville, PA

There may be additional delivery locations added:
PCI Commissary (SCI Houtzdale) 209 Institution Drive, Houtzdale, PA
PCI Commissary (SCI Albion) 10745 Route 18, Albion, PA

Term of Contract: This contract will start on April 1, 2018 and end on March 31, 2020.

Renewal: There will be three (3) one (1) year renewals. Renewal will be at the agreement of the Commonwealth and the suppliers. The Department may solicit additional suppliers to be added to this contract at any time, when deemed in the best interests of the Commonwealth, this will be through a supplemental bid process.

Award: It is the intention of the Commonwealth to award multiple responsible and responsive suppliers for all delivery locations. Award will be made to the lowest price per manufacturer.

Estimated Quantities: It shall be understood and agreed that any quantities listed in the solicitation are estimated only and may be increased or decreased in accordance with the actual requirements of the Commonwealth.

Deliveries to Department of Corrections: All delivery employees of the supplier are to complete a background investigation at the discretion of the DOC. The supplier's employees must complete the security clearance application process and all required training. Since individual security clearances are only valid for a maximum of one (1) year, (and may be issued for shorter periods), it is the responsibility of the supplier/employee to renew their clearance request. The DOC reserves the right to deny any employee of the supplier access to their facilities, information or to their clients as a result of the confidential information obtained during the course of the security clearance process or for violation of DOC policy. Clearance forms can be obtained from the DOC's website at www.cor.pa.gov.

Price Adjustments: Contract prices can be adjusted as needed annually starting April 1, 2019. Should the renewal option be exercised pricing may change April 1, 2020. The price adjustment must be by mutual agreement between the Commonwealth and the supplier and must be submitted to the Department of General Services and Department of Corrections no later than thirty (30) days prior to the date of the price change. All supporting documentation must be submitted with the pricing to justify any price increases.

Prices may be changed if any new taxes are created that would increase the price of the products. Prices will be changed to include the tax only until the annual price change date takes effect. Documentation must be provided to evidence these increases.

Ordering: The minimum order for this contract is 100 units per single delivery for each DOC location. Orders less than the minimum may be accepted by mutual agreement between the supplier and the Commonwealth. Agencies must provide seven (7) days or more to the contractor from receipt of the order for lead-time on all orders.

Order Accuracy: The supplier will maintain a minimum of 98% order accuracy, by the delivery date specified on the purchase order. The supplier shall deliver specified goods to the ordering location per the requested delivery date on the purchase order which shall be no less than seven (7) days from the receipt of the purchase order. Out of stocks, late deliveries and partial orders and backorders will count against the supplier's order accuracy rating. The formula for the fill rate is defined as: Total Cases Delivered and Accepted divided by Total Cases Ordered. Failure to meet the 98% order accuracy requirement may result in the Commonwealth declaring that the supplier is in default as set forth in the terms and conditions of the contract.

Replacement of Products: The supplier is responsible for notifying the Commonwealth of all discontinued products in a timely manner. If a product is discontinued, the supplier shall offer the Commonwealth a comparable product to replace the discontinued product. Pricing for the replacement product shall be the same as the pricing for the discontinued product. The Commonwealth, in its sole discretion, shall determine if the replacement product is comparable to the original product. At no time is the supplier allowed to unilaterally change products or pricing.

All defective items must be replaced by the supplier at no cost to the Commonwealth. Items must be returned within thirty (30) days of delivery.

Rebate, Promotional Allowances or Bill Backs: The awarded supplier shall provide the agency purchasing agents a copy of any rebate, promotional or bill back programs available from manufacturers supplying products to Pennsylvania Correctional Industries (PCI) through this contract. This information shall be provided within 30 calendar days after receiving notification of award, and within 30 calendar days of

receiving any promotional or bill back program from a manufacturer during the contract period. DGS reserves the right to contact manufacturers periodically, to inquire about all applicable rebates.

Special Requirements:

- All pallets must be no more than 52 inches in height.
- PCI will not accept commodities stored in metal containers.
- Product manufacturer must be FDA registered.
- Product should have a non-metallic casing.
- Product should be tamper-resistant or tamper-evident.
- Only single unit e-cigarettes will be accepted.
- Single units must supply nicotine levels of no more than 18 mg.
- Regular and Menthol flavors.
- Sell by date must be at least four (4) months after delivery date.

Samples:

Two (2) samples must be submitted to DOC prior to bid opening for security review. All samples should be sent to:

Tracey Meyers
Pennsylvania Correctional Industries
Room 318
2520 Lisburn Rd.
Camp Hill, PA 17011

Reports: The supplier will provide a quarterly report due to DGS by the 15th of the month after each quarter, showing the late deliveries and calculation of the percentage. The report will provide a summary with the total percentage met each month and a detailed listing of deliveries that have not been met. An annual report will be provided to compile all information for each fiscal year of the contract.

Inquiries: Direct all questions concerning this solicitation to:

Cheryl A Barth-Taylor
cbarhtayl@pa.gov

Only e-mailed questions will be accepted.