

REQUEST FOR PROPOSALS FOR

**UNITED STATES WEST COAST CONSOLIDATION
SERVICES**

ISSUING OFFICE

**PENNSYLVANIA LIQUOR CONTROL BOARD
BUREAU OF PURCHASING AND CONTRACT ADMINISTRATION
ROOM 316, NORTHWEST OFFICE BUILDING
HARRISBURG, PENNSYLVANIA 17124**

RFP NUMBER 20120510

DATE OF ISSUANCE

SEPTEMBER 14, 2012

REQUEST FOR PROPOSALS FOR
UNITED STATES WEST COAST CONSOLIDATION SERVICES

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CALENDAR OF EVENTS

The PLCB will make every effort to adhere to the following schedule:

Activity	Responsibility	Date
Deadline to submit Questions via email to beward@pa.gov	Potential Offerors	October 5, 2012
Pre-proposal Conference will be held in Conference Room 117, Northwest Office Building, 910 Capital Street, Harrisburg, PA 17124.	Issuing Office/Potential Offerors	10:00 AM October 18, 2012
Answers to Potential Offeror questions posted to the DGS website (http://www.emarketplace.state.pa.us) no later than this date.	Issuing Office	October 25, 2012
Please monitor website for all communications regarding the RFP.	Potential Offerors	Regularly until proposal due date
Sealed proposal must be received by the Issuing Office at the Pennsylvania Liquor Control Board, Purchasing and Contract Administration Division, Room 316 Northwest Office Building, Harrisburg, PA 17124	Offerors	10:00 AM November 13, 2012

PART I

GENERAL INFORMATION

I-1. Purpose. This request for proposals (RFP) provides to those interested in submitting proposals for the subject procurement (“Offerors”) sufficient information to enable them to prepare and submit proposals for the Pennsylvania Liquor Control Board’s consideration on behalf of the Commonwealth of Pennsylvania (“Commonwealth”) to satisfy a need for “*United States West Coast Consolidation Services*” (“Project”).

I-2. Issuing Office. The PLCB (“Issuing Office”) has issued this RFP on behalf of the Commonwealth. The sole point of contact in the Commonwealth for this RFP shall be Beverly Ward, Bureau of Purchasing and Contract Administration, Room 316 Northwest Office Building, Harrisburg, PA 17124, beward@pa.gov, the Issuing Officer for this RFP. Please refer all inquiries to the Issuing Officer.

I-3. Scope. This RFP contains instructions governing the requested proposals, including the requirements for the information and material to be included; a description of the service to be provided; requirements which Offerors must meet to be eligible for consideration; general evaluation criteria; and other requirements specific to this RFP.

I-4. Problem Statement. The PLCB is a multi-faceted agency responsible for the sale and control of beverage alcohol throughout the Commonwealth and is one of the largest purchasers of wine and spirits in the country. The PLCB wishes to continue consolidating beverage alcohol products and transporting them from various vendors on the west coast of the United States, primarily the wine growing regions of California, to the PLCB’s Distribution Centers. Currently, the PLCB utilizes three (3) Distribution Centers for the receipt, processing, and storage of PLCB merchandise. DC#1, operated by XTL, Inc. (XTL) in Philadelphia; DC#2, operated by Kane is Able (Kane) in Taylor; and DC#4, operated by General Commodities Company, Inc. (Genco) in Pittsburgh. Additional detail is provided in **Part IV** of this RFP.

I-5. Type of Contract. It is proposed that if the Issuing Office enters into a contract as a result of this RFP, it will be a Established Price Contract with Escalation, including a fuel surcharge provision as set forth in Appendix B, and containing the Standard Contract Terms and Conditions as shown in **Appendix A** and available at http://www.dgsweb.state.pa.us/comod/CurrentForms/STD274_SAP.doc, as well as Special Contract Terms and Conditions as shown in **Appendix B**. The Issuing Office, in its sole discretion, may undertake negotiations with Offerors whose proposals, in the judgment of the Issuing Office, show them to be qualified, responsible and capable of performing the Project.

I-6. Rejection of Proposals. The Issuing Office reserves the right, in its sole and complete discretion, to reject any proposal received as a result of this RFP.

I-7. Incurring Costs. The Issuing Office is not liable for any costs the Offeror incurs in preparation and submission of its proposal, in participating in the RFP process or in anticipation of award of the contract.

I-8. Pre-proposal Conference. The Issuing Office will hold a Pre-proposal Conference as specified in the Calendar of Events. The purpose of this conference is to provide an opportunity for clarification of the RFP. Offerors should forward all questions to the Issuing Office in accordance with **PART I, Section I-9** to ensure adequate time for analysis before the Issuing Office provides an answer. Offerors may also ask questions at the conference. In view of the limited facilities available for the conference, Offerors should limit their representation to two (2) individuals per Offeror. The Pre-proposal Conference is for information only. Any answers furnished during the conference will not be official until they have been verified, in writing, by the Issuing Office. All questions and written answers will be posted on the Department of General Services' (DGS) website as an addendum to, and shall become part of, this RFP. Attendance at the Pre-proposal Conference is optional.

I-9. Questions & Answers. If an Offeror has any questions regarding this RFP, the Offeror must submit the questions by email (**with the subject line “RFP 20120510 Question”**) to the Issuing Officer named in **PART I, Section I-2** of the RFP. If the Offeror has questions, they must be submitted via email **no later than** the date indicated on the Calendar of Events. The Offeror shall not attempt to contact the Issuing Officer by any other means. The Issuing Officer shall post the answers to the questions on the DGS and PLCB websites by the date stated on the Calendar of Events.

All questions and responses as posted on the DGS website is considered as an addendum to, and part of, this RFP in accordance with RFP **PART I, Section I-10**. Each Offeror shall be responsible to monitor the DGS website for new or revised RFP information. The Issuing Office shall not be bound by any verbal information nor shall it be bound by any written information that is not either contained within the RFP or formally issued as an addendum by the Issuing Office. The Issuing Office does not consider questions to be a protest of the specifications or of the solicitation. The required protest process for Commonwealth procurements is described on the DGS website.

I-10. Addenda to the RFP. If the Issuing Office deems it necessary to revise any part of this RFP before the proposal response date, the Issuing Office will post an addendum to the DGS website. It is the Offeror's responsibility to periodically check the website for any new information or addenda to the RFP. Answers to the questions asked during the Question and Answer period will also be posted to the website as an addendum to the RFP.

I-11. Response Date. To be considered for selection, hard copies of proposals must arrive at the Issuing Office on or before the time and date specified in the RFP Calendar of Events. The Issuing Office will **not** accept proposals via email or facsimile transmission. Offerors who send proposals by mail or other delivery service should allow sufficient delivery time to ensure timely receipt of their proposals. If, due to inclement weather, natural disaster, or any other cause, the Commonwealth office location to which proposals are to be returned is closed on the proposal response date, the deadline for submission will be automatically extended until the next Commonwealth business day on which the office is open, unless the Issuing Office otherwise notifies Offerors. The hour for submission of proposals shall remain the same. The Issuing Office will reject, unopened, any late proposals.

I-12. Proposals. To be considered, Offerors should submit a complete response to this RFP to the Issuing Office, using the format provided in **PART II**, providing **ten (10) paper copies of the Technical Submittal and one (1) paper copy of the Cost Submittal and two (2) paper copies of the Small Diverse Business Submittal**. In addition to the paper copies of the proposal, Offerors shall submit two **complete and exact** copies of the entire proposal (Technical, Cost and Small Diverse Business Submittals, along with all requested documents) on CD-ROM or Flash drive in Microsoft Office or Microsoft Office-compatible format. The electronic copy must be a mirror image of the paper copy and any spreadsheets must be in Microsoft Excel. The Offerors may not lock or protect any cells or tabs. Offerors should ensure that there is no costing information in the technical submittal. Offerors should not reiterate technical information in the cost submittal. The CD or Flash drive should clearly identify the Offeror and include the name and version number of the virus scanning software that was used to scan the CD or Flash drive before it was submitted. The Offeror shall make no other distribution of its proposal to any other Offeror or Commonwealth official or Commonwealth consultant. Each proposal page should be numbered for ease of reference.

An official authorized to bind the Offeror to its provisions must sign the proposal. If the official signs the Proposal Cover Sheet (**Appendix H**) and the Proposal Cover Sheet is attached to the Offeror's proposal, the requirement will be met. For this RFP, the proposal must remain valid until a contract is fully executed. If the Issuing Office selects the Offeror's proposal for award, the contents of the Selected Offeror's proposal will become, except to the extent the contents are changed through Best and Final Offers or negotiations, contractual obligations.

Each Offeror submitting a proposal specifically waives any right to withdraw or modify it, except that the Offeror may withdraw its proposal by written notice received at the Issuing Office's address for proposal delivery prior to the exact hour and date specified for proposal receipt. An Offeror or its authorized representative may withdraw its proposal in person prior to the exact hour and date set for proposal receipt, provided the withdrawing person provides appropriate identification and signs a receipt for the proposal. An Offeror may modify its submitted proposal prior to the exact hour and date set for proposal receipt only by submitting a new sealed proposal or sealed modification which complies with the RFP requirements.

I-13. Small Diverse Business Information. The Issuing Office encourages participation by small diverse businesses as prime contractors, and encourages all prime contractors to make a significant commitment to use small diverse businesses as subcontractors and suppliers.

A Small Diverse Businesses is a DGS-certified minority-owned business, woman-owned business, service-disabled veteran-owned business or veteran-owned business, or United States Small Business Administration-certified 8(a) small disadvantaged business concern that qualifies as a small business.

A small business is a business in the United States which is independently owned, not dominant in its field of operation, employs no more than 100 full-time or full-time equivalent employees, and earns less than \$20 million in gross annual revenues (\$25 million in gross annual revenues for those businesses in the information technology sales or service business).

Questions regarding this Program can be directed to:

Department of General Services
Bureau of Small Business Opportunities
Room 611, North Office Building
Harrisburg, PA 17125
Phone: (717) 783-3119
Fax: (717) 787-7052
Email: gs-bsbo@state.pa.us
Website: www.dgs.state.pa.us

The Department's directory of Bureau of Small Business Opportunities- (BSBO)-certified minority-, women-, veteran- and service disabled veteran-owned businesses can be accessed from: http://www.portal.state.pa.us/portal/server.pt/community/under_construction--bureau_of_minority_and_women_business_opportunities/20986. The federal vendor database can be accessed at <http://www.ccr.gov> by clicking on *Dynamic Small Business Search* (certified companies are so indicated).

I-14. Economy of Preparation. Offerors should prepare proposals simply and economically, providing a straightforward, concise description of the Offeror's ability to meet the requirements of the RFP.

I-15. Alternate Proposals. The Issuing Office has identified the basic approach to meeting its requirements, allowing Offerors to be creative and propose their best solution to meeting these requirements. The Issuing Office will not accept alternate proposals.

I-16. Discussions for Clarification. Offerors may be required to make an oral or written clarification of their proposals to the Issuing Office to ensure thorough mutual understanding and Offeror responsiveness to the solicitation requirements. The Issuing Office will initiate requests for clarification. Clarifications may occur at any stage of the evaluation and selection process prior to contract execution.

I-17. Prime Contractor Responsibilities. The contract will require the Selected Offeror to assume responsibility for all services offered in its proposal whether it produces them itself or by subcontract. The Issuing Office will consider the Selected Offeror to be the sole point of contact with regard to contractual matters.

I-18. Proposal Contents.

- A. **Confidential Information.** The Commonwealth is not requesting, and does not require, confidential proprietary information or trade secrets to be included as part of Offerors' submissions in order to evaluate proposals submitted in response to this RFP. Accordingly, except as provided herein, Offerors should not label proposal submissions as confidential or proprietary or trade secret protected. Any Offeror who determines that it must divulge such information as part of its proposal must submit the signed written

statement described in subsection C. below and must additionally provide a redacted version of its proposal, which removes only the confidential proprietary information and trade secrets, for required public disclosure purposes.

B. Commonwealth Use. All material submitted with the proposal shall be considered the property of the Commonwealth and may be returned only at the Issuing Office's option. The Commonwealth has the right to use any or all ideas not protected by intellectual property rights that are presented in any proposal regardless of whether the proposal becomes part of a contract. Notwithstanding any Offeror copyright designations contained on proposals, the Commonwealth shall have the right to make copies and distribute proposals internally and to comply with public record or other disclosure requirements under the provisions of any Commonwealth or United States statute or regulation, or rule or order of any court of competent jurisdiction.

C. Public Disclosure. After the award of a contract pursuant to this RFP, all proposal submissions are subject to disclosure in response to a request for public records made under the Pennsylvania Right-to-Know-Law, 65 P.S. § 67.101, et seq. If a proposal submission contains confidential proprietary information or trade secrets, a signed written statement to this effect (**Appendix L**) must be provided with the submission in accordance with 65 P.S. § 67.707(b) for the information to be considered exempt under 65 P.S. § 67.708(b)(11) from public records requests. Financial capability information submitted in response to **PART II, Section II-7** of this RFP is exempt from public records disclosure under 65 P.S. § 67.708(b)(26).

I-19. Best and Final Offers.

A. While not required, the Issuing Office reserves the right to conduct discussions with Offerors for the purpose of obtaining “Best and Final Offers.” To obtain Best and Final Offers from Offerors, the Issuing Office may do one or more of the following, in any combination and order:

1. Schedule oral presentations;
2. Request revised proposals; and
3. Enter into pre-selection negotiations.

B. The following Offerors will **not** be invited by the Issuing Office to submit a Best and Final Offer:

1. Those Offerors, which the Issuing Office has determined to be not responsible or whose proposals the Issuing Office has determined to be not responsive.
2. Those Offerors, which the Issuing Office has determined in accordance with **PART III, Section III-5**, from the submitted and gathered financial and other information,

do not possess the financial capability, experience or qualifications to assure good faith performance of the contract.

3. Those Offerors whose score for their technical submittal of the proposal is less than 70% of the total amount of technical points allotted to the technical criterion.

The Issuing Office may further limit participation in the Best and Final Offers process to those remaining responsible Offerors which the Issuing Office has, within its discretion, determined to be within the top competitive range of responsive proposals.

- C. The Evaluation Criteria found in **PART III, Section III-4**, shall also be used to evaluate the Best and Final offers.
- D. Dollar commitments to Small Diverse Business Participation can be reduced only in the same percentage as the percent reduction in the total price offered through negotiations.

I-20. News Releases. Offerors shall not issue news releases, Internet postings, advertisements or any other public communications pertaining to this Project without prior written approval of the Issuing Office, and then only in coordination with the Issuing Office.

I-21. Restriction of Contact. From the issue date of this RFP until the Issuing Office selects a proposal for award, the Issuing Officer is the sole point of contact concerning this RFP. Any violation of this condition may be cause for the Issuing Office to reject the offending Offeror's proposal. If the Issuing Office later discovers that the Offeror has engaged in any violations of this condition, the Issuing Office may reject the offending Offeror's proposal or rescind its contract award. Offerors must agree not to distribute any part of their proposals beyond the Issuing Office. An Offeror who shares information contained in its proposal with other Commonwealth personnel and/or competing Offeror personnel may be disqualified.

I-22. Issuing Office Participation. Offerors shall provide all services, supplies, pallets, forklifts, trucks, vans and trailers, facilities, information technology systems, licenses, permits, and other support necessary to complete the identified work, except as otherwise provided in this **PART I, Section I-23.** The PLCB will provide project management and direction.

I-23. Term of Contract. The term of the contract will commence on the Effective Date and will end sixty months (5 years) from the Effective Date. The PLCB's Issuing Officer may extend this contract incrementally or in one step, for a period of up to three (3) months, by written notification to the Selected Offeror. Any renewal will be under the same terms and conditions. The Issuing Officer will fix the Effective Date after the contract has been fully executed by the Selected Offeror and by the PLCB and all approvals required by Commonwealth contracting procedures have been obtained. The Selected Offeror shall not start the performance of any work prior to the Effective Date of the contract and the PLCB shall not be liable to pay the Selected Offeror for any service or work performed or expenses incurred before the Effective Date of the contract.

I-24. Offeror's Representations and Authorizations. By submitting its proposal, each Offeror understands, represents, and acknowledges that:

- A.** All of the Offeror's information and representations in the proposal are material and important, and the Issuing Office may rely upon the contents of the proposal in awarding the contract(s). The PLCB shall treat any misstatement, omission or misrepresentation as fraudulent concealment of the true facts relating to the proposal submission, punishable pursuant to 18 Pa. C.S. § 4904.
- B.** The Offeror has arrived at the price(s) and amount(s) in its proposal independently and without consultation, communication, or agreement with any other Offeror or potential Offeror.
- C.** The Offeror has not disclosed the price(s), the amount(s) of the proposal, nor the approximate price(s) or amount(s) of its proposal to any other firm or person who is an Offeror or potential Offeror for this RFP, and the Offeror shall not disclose any of these items on or before the proposal submission deadline specified in the Calendar of Events of this RFP.
- D.** The Offeror has not attempted, nor will it attempt, to induce any firm or person to refrain from submitting a proposal on this contract, or to submit a proposal higher than this proposal, or to submit any intentionally high or noncompetitive proposal or other form of complementary proposal.
- E.** The Offeror makes its proposal in good faith and not pursuant to any agreement or discussion with, or inducement from, any firm or person to submit a complementary or other noncompetitive proposal.
- F.** To the best knowledge of the person signing the proposal for the Offeror, the Offeror, its affiliates, subsidiaries, officers, directors, and employees are not currently under investigation by any governmental agency and have not in the last **four (4)** years been convicted or found liable for any act prohibited by State or Federal law in any jurisdiction, involving conspiracy or collusion with respect to bidding or proposing on any public contract, except as the Offeror has disclosed in its proposal.
- G.** To the best of the knowledge of the person signing the proposal for the Offeror and except as the Offeror has otherwise disclosed in its proposal, the Offeror has no outstanding, delinquent obligations to the Commonwealth including, but not limited to, any state tax liability not being contested on appeal or other obligation of the Offeror that is owed to the Commonwealth.
- H.** The Offeror is not currently under suspension or debarment by the Commonwealth, any other state or the federal government, and if the Offeror cannot so certify, then it shall submit along with its proposal a written explanation of why it cannot make such certification.

- I. The Offeror has not made, under separate contract with the Issuing Office, any recommendations to the Issuing Office concerning the need for the services described in its proposal or the specifications for the services described in the proposal.
- J. Each Offeror, by submitting its proposal, authorizes Commonwealth agencies to release to the Commonwealth information concerning the Offeror's Pennsylvania taxes, unemployment compensation and workers' compensation liabilities.
- K. Until the Selected Offeror receives a fully executed and approved written contract from the Issuing Office, there is no legal and valid contract, in law or in equity, and the Offeror shall not begin to perform.

I-25. Notification of Selection.

- A. **Contract Negotiations.** The Issuing Office will notify the Offeror selected for negotiations after the Issuing Office has determined, taking into consideration all of the evaluation factors, the proposal that is the most advantageous to the Issuing Office.
- B. **Award.** Offerors whose proposals are not selected will be notified when contract negotiations have been successfully completed and the Issuing Office has received the final negotiated contract signed by the Selected Offeror.

I-26. Debriefing Conferences. Upon notification of award, Offerors whose proposals were not selected will be given the opportunity to be debriefed. The Issuing Office will schedule the debriefing at a mutually agreeable time. The debriefing will not compare the Offeror with other Offerors, other than the position of the Offeror's proposal in relation to all other Offeror proposals. An Offeror's exercise of the opportunity to be debriefed does not constitute the filing of a protest.

I-27. RFP Protest Procedure. The RFP Protest Procedure is on the DGS website at http://www.portal.state.pa.us/portal/server.pt/document/642873/pt_i_ch_58_bid_protests_pdf and the PLCB website at http://www.lcb.state.pa.us/portal/server.pt/community/bid_opportunities. A protest by a party not submitting a proposal must be filed within **seven (7)** days after the protesting party knew or should have known of the facts giving rise to the protest, but no later than the proposal submission deadline specified in the Calendar of Events of the RFP. Offerors may file a protest within **seven (7)** days after the protesting Offeror knew or should have known of the facts giving rise to the protest, but in no event may an Offeror file a protest later than **seven (7)** days after the date the notice of award of the contract is posted on the DGS website. The date of filing is the date of receipt of the protest. To be timely, the protest must be received by 4:00 PM on the seventh day.

I-28. Use of Electronic Versions of this RFP. This RFP is being made available by electronic means. If an Offeror electronically accepts the RFP, the Offeror acknowledges and accepts full responsibility to ensure that no changes are made to the RFP. In the event of a conflict between

a version of the RFP in the Offeror's possession and the Issuing Office's version of the RFP, the Issuing Office's version shall govern.

PART II

PROPOSAL REQUIREMENTS

Offerors must submit their proposals in the format, including heading descriptions, outlined below. To be considered, the proposal must respond to all requirements in this part of the RFP. Offerors should provide any other information thought to be relevant, but not applicable to the enumerated categories, as an appendix to the proposal. All cost data relating to this proposal and all Small Diverse Business cost data should be kept separate from and not included in the Technical Submittal. Each proposal shall consist of the following **three (3)** separately sealed submittals:

- A. Technical Submittal, which shall be a response to RFP PART II, Sections II-1 through II-8 and Section II-11;**
- B. Small Diverse Business Submittal, in response to RFP PART II, Section II-9; and**
- C. Cost Submittal, in response to RFP PART II, Section II-10.**

The Issuing Office reserves the right to request additional information which, in the Issuing Office's opinion, is necessary to assure that the Offeror's competence, number of qualified employees, business organization, and financial resources are adequate to perform according to the RFP.

The Issuing Office may make investigations as deemed necessary to determine the ability of the Offeror to perform the Project, and the Offeror shall furnish to the Issuing Office all requested information and data. The Issuing Office reserves the right to reject any proposal if the evidence submitted by, or investigation of, such Offeror fails to satisfy the Issuing Office that such Offeror is properly qualified to carry out the obligations of the RFP and to complete the Project as specified.

II-1. Statement of the Problem. State in succinct terms your understanding of the problem presented or the service required by this RFP.

II-2. Management Summary. Include a narrative description of the proposed effort and a list of the items to be delivered or services to be provided.

II-3. Work Plan. Describe in narrative form your technical plan for accomplishing the work. Use the task descriptions in **PART IV** of this RFP as your reference point. Modifications of the task descriptions are permitted; however, reasons for changes should be fully explained. Indicate the number of person hours allocated to each task. Include a work plan for each task that identifies the work elements of each task, the resources assigned to the task, and the time allotted to each element and the deliverable items to be produced. Where appropriate, a GANTT chart display should be used to show project, task, and time relationship. If more than one approach is apparent, comment on why you chose this approach.

II-4. Prior Experience. Include specific organizational operating experience with emphasis on consolidating, storing, handling, shipping, receiving, and securing beverage alcohol or other high value or high velocity commodities, such as grocery products. The size of any facility(ies) operated shall be included along with volumes and types of commodities handled. Include the date your company was founded, principal ownership, scope of operations, and general data regarding experience. Also note any special expertise that would enhance your company's qualifications, such as membership in professional organizations and/or certifications, etc. List any current contracts that may present a conflict of interest. If there are none, provide a statement to that effect. Experience shown should be work done by individuals who will be assigned to this project as well as that of your company. At least three (3) references should be identified and the name of the customer shown, including the name, address, and telephone number of the responsible official of the customer, company, or agency who may be contacted.

II-5. Personnel. Include the number of executive and professional personnel, analysts, auditors, researchers, programmers, consultants, etc., who will be engaged in the work. Show where these personnel will be physically located during the time they are engaged in the Project. For key personnel, for example, the project manager and the operations manager, include the employee's name and, through a resume or similar document, the Project personnel's education and experience in managing the consolidation and delivery services of beverage alcohol or other products. Indicate the responsibilities each individual will have in this Project and how long each has been with your company. Identify by name any subcontractors you intend to use and the services they will perform.

II-6. Training. If appropriate, describe recommended training protocol for key project personnel.

II-7. Financial Capability. Describe your company's financial stability and economic capability to perform the contract requirements. Provide your company's financial statements for the past three (3) fiscal years. If your company is a publicly traded company, please provide a link to your financial records on your company website; otherwise, provide three (3) years of your company's financial documents such as audited financial statements or recent tax returns. Financial statements must include the company's Balance Sheet and Income Statement or Profit/Loss Statements. Also include a Dun & Bradstreet comprehensive report if available. The PLCB reserves the right to request additional information it deems necessary to evaluate an Offeror's financial capability.

II-8. Objections and Additions to Standard Contract Terms and Conditions. The Offeror will identify which, if any, of the terms and conditions (contained in **Appendices A and B**) it would like to negotiate and what additional terms and conditions the Offeror would like to add to the standard contract terms and conditions. The Offeror's failure to make a submission under this paragraph will result in its waiving its right to do so later, but the Issuing Office may consider late objections and requests for additions if to do so, in the Issuing Office's sole discretion, would be in the best interest of the Commonwealth. The Issuing Office may, in its sole discretion, accept or reject any requested changes to the standard contract terms and conditions. The Offeror shall not request changes to the other provisions of the RFP, nor shall the Offeror request to completely substitute its own terms and conditions for **Appendices A and B**.

B. All terms and conditions must appear in one integrated contract. The Issuing Office will not accept references to the Offeror's, or any other, online guides or online terms and conditions contained in any proposal.

Regardless of any objections set out in its proposal, the Offeror must submit its proposal, including the cost proposal, on the basis of the terms and conditions set out in **Appendices A and B**. The Issuing Office will reject any proposal that is conditioned on the negotiation of the terms and conditions set out in **Appendices A and B or to other provisions of the RFP as specifically identified above**.

II-9. Small Diverse Business Participation Submittal.

A. To receive credit for being a Small Diverse Business or for subcontracting with a Small Diverse Business (including purchasing supplies and/or services through a purchase agreement), an Offeror must include proof of Small Diverse Business qualification in the Small Diverse Business participation submittal of the proposal, as indicated below:

- 1.** A Small Diverse Business certified by BSBO as an MBE/WBE/VBE/SDVBE must provide a photocopy of their active BSBO certificate. A Small Diverse Business certified by BSBO in more than one category should indicate for which category it wishes its participation to be counted for program recordkeeping purposes.
- 2.** Businesses certified by the U.S. Small Business Administration pursuant to Section 8(a) of the Small Business Act (15 U.S.C. § 636(a)) as an 8(a) Small Disadvantaged Businesses must submit proof of U.S. Small Business Administration certification. The owners of such businesses must also submit proof of United States citizenship.
- 3.** All businesses claiming Small Diverse Business status, whether as a result of BSBO certification, or U.S. Small Business Administration certification as an 8(a) small disadvantaged business, must attest to the fact that the business has no more than 100 full-time or full-time equivalent employees. This can be accomplished by including copies of IRS Form 941s or a letter from the small diverse business attesting to the number of employees.
- 4.** All businesses claiming Small Diverse Business status, whether as a result of BSBO certification, or U.S. Small Business Administration certification as an 8(a) small disadvantaged business, must submit proof that their gross annual revenues are less than \$20,000,000 (\$25,000,000 for those businesses in the information technology sales or service business). This can be accomplished by including a recent tax return, audited financial statement or a letter from a CPA attesting to the annual revenues.

B. In addition to the above verifications, the Offeror must include in the Small Diverse Business participation submittal of the proposal the following information:

1. *All* Offerors must include a numerical percentage which represents the total percentage of the work (as a percentage of the total cost in the Cost Submittal) to be performed by the Offeror and not by subcontractors and suppliers.
2. *All* Offerors must include a numerical percentage which represents the total percentage of the total cost in the Cost Submittal that the Offeror commits to paying to Small Diverse Businesses (SDBs) as subcontractors. To support its total percentage SDB subcontractor commitment, Offeror must also include:

 - a) The dollar amount of each subcontract commitment to a Small Diverse Business;
 - b) The name of each Small Diverse Business. The Offeror will not receive credit for stating that after the contract is awarded it will find a Small Diverse Business.
 - c) The services or supplies each Small Diverse Business will provide, including the timeframe for providing the services or supplies.
 - d) The location where each Small Diverse Business will perform services.
 - e) The timeframe for each Small Diverse Business to provide or deliver the goods or services.
 - f) A signed subcontract or letter of intent for each Small Diverse Business. The subcontract or letter of intent must identify the specific work, goods or services the Small Diverse Business will perform and how the work, goods or services relates to the project.
 - g) The name, address and telephone number of the primary contact person for each Small Diverse Business.
2. The total percentages and each SDB subcontractor commitment will become contractual obligations once the contract is fully executed.
3. The name and telephone number of the Offeror's project (contact) person for the Small Diverse Business information.
- C. The Offeror is required to submit **two** copies of its Small Diverse Business participation submittal. The submittal shall be clearly identified as Small Diverse Business information and sealed in its own envelope, separate from the remainder of the proposal.
- D. A Small Diverse Business can be included as a subcontractor with as many prime contractors as it chooses in separate proposals.

II-10. Cost Submittal. The information requested in this **PART II, Section II-10** shall constitute the Cost Submittal (**Appendix F**). The Cost Submittal shall be placed in a separate sealed envelope within the sealed proposal, separated from the technical submittal. Offerors should **not** include any assumptions in their cost submittals. If the Offeror includes assumptions in its cost submittal, the Issuing Office may reject the proposal. Offerors should direct in writing to the Issuing Office pursuant to **PART I, Section I-9**, of this RFP any questions about whether a cost or other component is included or applies. All Offerors will then have the benefit of the Issuing Office's written answer so that all proposals are submitted on the same basis.

A. Total Consolidation Services Cost. The Offeror's per case rate to provide consolidation (as described in **PART IV-4, Task A**), and delivery service from the west coast of the United States to the PLCB Distribution Centers.

At its sole option and discretion, the PLCB may change the volume(s), delivery day(s), delivery time(s) and/or the location of individual delivery of pick-up points.

B. Additional Cost. The Offeror's per case rate to provide labeling and repack/recoup based on an average of 1,000 cases per month for each function.

The Issuing Office will reimburse the Selected Offeror for work satisfactorily performed after execution of a written contract and the start of the contract term, in accordance with contract requirements, and only after the Issuing Office has issued a notice to proceed.

All questions or problems related to invoicing, bill payment debits/credits to invoices, or other monetary related topics should be addressed to the Accounts Payable Division.

The Commonwealth may set-off the amount of any state tax liability or other debt or obligation of the Selected Offeror or its subsidiaries that is owed to the Commonwealth and is not being contested on appeal against any payments due the Selected Offeror under the resulting Contract or any other contract with the Commonwealth.

II-11. Domestic Workforce Utilization Certification. Complete and sign the Domestic Workforce Utilization Certification contained in **Appendix F** of this RFP. Offerors who seek consideration for this criterion must submit in hardcopy the signed Domestic Workforce Utilization Certification Form in the same sealed envelope with the Technical Submittal.

PART III

CRITERIA FOR SELECTION

III-1. Mandatory Responsiveness Requirements. To be eligible for selection, a proposal must be:

- A.** Timely received from an Offeror;
- B.** Properly signed by the Offeror.

III-2. Technical Nonconforming Proposals. The two (2) Mandatory Responsiveness Requirements set forth in **Section III-1** above (A-B) are the only RFP requirements that the PLCB will consider to be *non-waivable*. The Issuing Office reserves the right, in its sole discretion, to (1) waive any other technical or immaterial nonconformities in an Offeror's proposal, (2) allow the Offeror to cure the nonconformity, or (3) consider the nonconformity in the scoring of the Offeror's proposal.

III-3. Evaluation. The Issuing Office has selected a committee of qualified personnel to review and evaluate timely submitted proposals. The Small Diverse Business Submittal will be evaluated separately. The Issuing Office will notify in writing of its selection for negotiation the responsible Offeror whose proposal is determined to be the most advantageous to the Commonwealth as determined by the Issuing Office after taking into consideration all of the evaluation factors.

III-4. Evaluation Criteria. The following criteria will be used in evaluating each proposal:

- A. Technical:** The Issuing Office has established the weight for the Technical criterion for this RFP as **seventy percent (70%)** of the total points. Evaluation will be based upon the following in order of importance:
 - 1. Soundness of Approach.** Emphasis here is on the techniques for consolidation and delivery services of beverage alcohol, sequence and relationship of major steps detailed in the work plan, and methods for managing services. Of equal importance is whether the technical approach is completely responsive to all written specifications and requirements contained in this RFP and if it appears to meet PLCB objectives.
 - 2. *Offeror and Personnel Qualifications.** This category refers to the ability of the Offeror to meet all requirements of the RFP, including delivery lead times, time constraints, quality, relevancy, and recency of projects completed by the Offeror. The Offeror's financial ability to undertake a project of this size will also be evaluated in this category. Qualifications of professional personnel will be measured by experience and education, with particular reference to experience in services similar to that described in this RFP. Particular emphasis is placed on the qualifications of the project and operations manager.

3. ***Infrastructure.** Physical and technical infrastructure will be evaluated in this criterion. Physical infrastructure will be evaluated based on, but not limited to, the suitability of the property to support consolidation services as contained in the RFP, facility location, and site security plans to safeguard merchandise. Technical infrastructure includes, but is not limited to, the ability to process electronic purchase orders, track and manage inventory, report on all activities, and system security.

* These items are of equal importance.

- B. **Cost:** The Issuing Office has established the weight for Cost as **twenty (20%)** of the total points.
- C. **Small Diverse Business Participation:** The Issuing Office has established the weight for the Small Diverse Business (SDB) participation criterion for this RFP as **ten percent (10%)** of the total points. Each SDB participation submittal will be rated for its approach to enhancing the utilization of SDBs in accordance with the below-listed priority ranking and subject to the following requirements:
 1. A business submitting a proposal as a prime contractor must perform 60% of the total contract value to receive points for this criterion under any priority ranking.
 2. To receive credit for an SDB subcontracting commitment, the SDB subcontractor must perform at least fifty percent (50%) of the work subcontracted to it.
 3. A significant commitment is a minimum of five percent (5%) of the total contract value.
 4. A commitment less than five percent (5%) of the total contract value is considered nominal and will receive reduced or no additional SDB points depending on the priority ranking.

Priority Rank 1: Proposals submitted by SDBs as prime offerors will receive 75 points. In addition, SDB offerors that have significant subcontracting commitments to additional SDBs may receive up to an additional 25 points (100 points total available).

Additional subcontracting commitments to SDBs are evaluated based on the proposal offering the highest total percentage SDB subcontracting commitment. All other Offerors will be scored in proportion to the highest total percentage SDB subcontracting commitment within this ranking. *See formula below.*

Priority Rank 2: Proposals submitted by SDBs as prime contractors, with no or nominal subcontracting commitments to additional SDBs, will receive 75 points.

Priority Rank 3: Proposals submitted by non-small diverse businesses as prime contractors, with significant subcontracting commitments to SDBs, will receive up to 50 points. Proposals submitted with nominal subcontracting commitments to SDBs will receive points equal to the percentage level of their total SDB subcontracting commitment.

SDB subcontracting commitments are evaluated based on the proposal offering the highest total percentage SDB subcontracting commitment. All other Offerors will be scored in proportion to the highest total percentage SDB subcontracting commitment within this ranking. *See formula below.*

Priority Rank 4: Proposals by non-small diverse businesses as prime contractors with no SDB subcontracting commitments shall receive no points under this criterion.

To the extent that there are multiple SDB Participation submittals in Priority Rank 1 and/or Priority Rank 3 that offer significant subcontracting commitments to SDBs, the proposal offering the highest total percentage SDB subcontracting commitment shall receive the highest score (or additional points) available in that Priority Rank category and the other proposal(s) in that category shall be scored in proportion to the highest total percentage SDB subcontracting commitment. Proportional scoring is determined by applying the following formula:

$$\frac{\text{SDB \% Being Scored}}{\text{Awarded/Additional}} \times \frac{\text{Points/Additional}}{\text{Highest \% SDB Commitment}} = \frac{\text{Points Available}^*}{\text{SDB Points}}$$

Priority Rank 1 = 25 Additional Points Available

Priority Rank 3 = 50 Total Points Available

Please refer to the following webpage for an illustrative chart which shows SDB scoring based on a hypothetical situation in which the Commonwealth receives proposals for each Priority Rank:

http://www.portal.state.pa.us/portal/server.pt/community/rfp_scoring_formulas_overview/20124

E. Domestic Workforce Utilization: Any points received for the Domestic Workforce Utilization criterion are bonus points in addition to the total points for this RFP. The maximum bonus points for this RFP will be three percent (3%). To the extent permitted by the laws and treaties of the United States, each proposal will be scored for its commitment to use domestic workforce in the fulfillment of the contract. Maximum consideration will be

given to those Offerors who will perform the contracted direct labor exclusively within the geographical boundaries of the United States or within the geographical boundaries of a country that is a party to the World Trade Organization Government Procurement Agreement. Those who propose to perform a portion of the direct labor outside of the United States and not within the geographical boundaries of a party to the World Trade Organization Government Procurement Agreement will receive a correspondingly smaller score for this criterion. Offerors who seek consideration for this criterion must submit in hardcopy the signed Domestic Workforce Utilization Certification Form in the same sealed envelope with the Technical Submittal. The certification will be included as a contractual obligation when the contract is executed.

III-5. Offeror Responsibility. To be responsible, an Offeror must submit a responsive proposal and possess the capability to fully perform the contract requirements in all respects and the integrity and reliability to assure good faith performance of the contract.

In order for an Offeror to be considered responsible for this RFP and therefore eligible for selection for Best and Final Offers or selection for contract negotiations:

- A.** The total score for the technical submittal of the Offeror's proposal must be greater than or equal to **70%** of the **available technical points**; and
- B.** The Offeror's financial information must demonstrate that the Offeror possesses the financial capability to assure good faith performance of the contract. The Issuing Office will review the Offeror's previous three (3) financial statements, any additional information received from the Offeror, and any other publicly-available financial information concerning the Offeror, and assess each Offeror's financial capacity based on calculating and analyzing various financial ratios, and comparison with industry standards and trends.

An Offeror which fails to demonstrate sufficient financial capability to assure good faith performance of the contract as specified herein may be considered by the Issuing Office, in its sole discretion, for Best and Final Offers or contract negotiation contingent upon such Offeror providing contract performance security for the first contract year cost proposed by the Offeror in a form acceptable to the Issuing Office. Based on the financial condition of the Offeror, the Issuing Office may require a certified or bank (cashier's) check, letter of credit, or a performance bond conditioned upon the faithful performance of the contract by the Offeror. The required performance security must be issued or executed by a bank or surety company authorized to do business in the Commonwealth. The cost of the required performance security will be the sole responsibility of the Offeror and cannot increase the Offeror's cost proposal or the contract cost to the Commonwealth.

Further, the Issuing Office will award a contract only to an Offeror determined to be responsible in accordance with the most current version of Commonwealth Management Directive 215.9, Contractor Responsibility Program.

PART IV

WORK STATEMENT

IV-1. Objectives.

- A. General.** The PLCB is a multi-faceted agency responsible for the sale and control of beverage alcohol throughout the Commonwealth and is one of the largest purchasers of wine and spirits in the country. The PLCB wishes to continue consolidating beverage alcohol products and transporting them from various vendors on the west coast of the United States, primarily the wine growing regions of California, to the PLCB's Distribution Centers.
- B. Specific.** Currently, the PLCB utilizes three (3) Distribution Centers for the receipt, processing, and storage of PLCB merchandise. DC#1, operated by XTL, Inc. (XTL) in Philadelphia; DC#2, operated by Kane is Able (Kane) in Taylor; and DC#4, operated by General Commodities Company, Inc. (Genco ATC) in Pittsburgh.

The fragile nature of the glass, the liquid contents, and the high value associated with the product requires a secure, stable, temperate environment, as well as responsible material handling.

IV-2. Nature and Scope of the Project.

The Selected Offeror of this door-to-door service shall receive, pick up, package, label, store, handle, maintain accurate and timely communication with the PLCB, ship, and deliver merchandise to PLCB Distribution Centers. The Selected Offeror shall maintain accurate and detailed records. This project will result in the successful completion of all tasks described in Section IV-4, Tasks. The Selected Offeror will be responsible for all the deliverables specified in that section.

IV-3. Requirements.

- A. Personnel.** The PLCB's Project Manager will approve/disapprove all key personnel assigned to this project. The Selected Offeror shall not subcontract with any person or entity to perform all or any part of the work to be performed without the prior written consent of the PLCB's Project Manager. During the project period, personnel not previously identified in the Selected Offeror's technical proposal may only be substituted for another person or added to the team when approved in writing by PLCB's Project Manager.
- B. Employees.** All matters dealing with the health, welfare, and working condition of the selected Contractor's employees are the responsibility of the selected Contractor. The selected Contractor agrees to comply with all local, state, and federal regulations governing health, welfare, and occupational safety standards.
- C. Security.** The Selected Offeror shall be responsible for all interior and exterior security of its facility(ies) at its own expense.

D. Performance Bond. The Selected Offeror shall be required to submit a renewable performance bond or other performance guarantee acceptable to the PLCB in the amount of one hundred twenty-five thousand dollars (\$125,000.00). This performance bond shall be submitted to the PLCB within seven (7) calendar days of the date of the Notice to Proceed letter sent to the Selected Offeror once all required Commonwealth approvals are obtained. Documented evidence that surety can be furnished shall accompany the technical proposal. The bond shall be for one (1) year and shall be renewable on an annual basis for the term of the contract and any additional option years.

E. Estimated Volumes. The following average volume of cases are based on the period of January through July 2012:

Distribution Center	Monthly Average	Weekly Average
Philadelphia	34,978	8,744
Taylor	24,217	6,054
Pittsburgh	21,529	5,382

Offerors should understand that volumes are significantly higher during the period from September through December. The estimated volumes are not to be construed as a guaranteed volume for the contracted period.

F. Constrained Resources. The PLCB realizes that, during certain times of the year (e.g., harvest), transportation resources become constrained. The Selected Offeror must provide a plan in its technical proposal to mitigate this issue.

G. Emergency Preparedness. To support continuity of operations during an emergency, including a pandemic, the Commonwealth needs a strategy for maintaining operations for an extended period of time. One part of this strategy is to ensure that essential contracts that provide critical business services to the Commonwealth have planned for such an emergency and put contingencies in place to provide needed goods and services.

1. Describe how you anticipate such a crisis will impact your operations.
2. Describe your emergency response continuity of operations plan. Please attach a copy of your plan, or at a minimum, summarize how your plan addresses the following aspects of pandemic preparedness:
 - a) Identify employee training (describe your organization's training plan, and how frequently your plan will be shared with employees)
 - b) Identify essential business functions and key employees (within your organization) necessary to carry them out
 - c) Identify contingency plans for:

- (1) Short-term contingency planning – temporary interruption of normal business operations (e.g., electrical power outages).
- (2) Short term contingency planning – temporary interruption of information technology operations
- (3) Long-term contingency planning – several months disruption of normal business operations due to a catastrophic event (e.g., fire, tornado, etc.)
- (5) An assessment of how various crises (e.g., natural disasters, weather conditions, labor strikes, etc.) would be managed to reduce the impact on operations.
- (6) How employees in your organization will carry out the essential functions if contagion control measures prevent them from coming to the primary workplace.

3. How your organization will communicate with staff and suppliers when primary communications systems are overloaded or otherwise fail, including key contacts, chain of communications (including suppliers), etc.

4. How and when your emergency plan will be tested, and if the plan will be tested by a third-party.

IV-4 Tasks. At its sole option and discretion, the PLCB may change the volume(s), delivery day(s), delivery time(s) and/or the location of individual delivery or pick-up points. Except where modifications render impossible deliveries or pick-ups by the Selected Offeror, the PLCB may at any time make changes to the service required of the Selected Offeror, (e.g., add, delete or relocate pick-up or delivery points, increase or decrease volumes and codes handled, and change the items to be delivered by the Selected Offeror to each delivery point).

Include a work plan for each task that identifies the work elements of each task, the resources assigned to the task, and the time allotted to each element and the deliverable items to be produced. Where appropriate, a GANTT chart display should be used to show project, task, and time relationship.

Describe the standards you will use to measure performance and correct deficiencies for the specified tasks. Hours of operations and types of shifts should be included in the technical proposal to accomplish the RFP objectives through the following tasks:

Task A Consolidation and Delivery Services: The Selected Offeror of this door-to-door service shall process purchase orders; receive and pick up merchandise repackage as necessary; label, store, verify vintage and product; and handle, ship and deliver merchandise to PLCB distribution centers. Services include, but are not limited to, the following:

- 1. Pick-ups/Deliveries from Vendor:** Purchase Orders will be sent to the Selected Offeror via the PLCB Vendor Collaboration Portal or Electronic Data Interchange (EDI). Based on the requested pick-up date (RPD), the Selected Offeror shall contact the vendors and schedule merchandise pick-up or vendor delivery to the Selected Offeror's facility(ies). Pick-up from PLCB vendors is required no later than fifteen (15) days from the creation date of the purchase order. Delivery to PLCB facilities is required no later than thirty-five (35) days from the creation date of the purchase order. The Selected Offeror will not be held responsible for delays caused by the PLCB vendor. Provide justification that the above times can be met and describe the measures which will be taken to guarantee the results.

The Selected Offeror shall electronically advise the PLCB via the PLCB Vendor Collaboration Portal or EDI of Purchase Order number(s), PLCB code(s) and quantity details, Shipping Container Code (SCC) number(s), and permit number(s) at the time of shipment to PLCB Distribution Center(s).

The Selected Offeror will verify that the product to be picked up matches the purchase order in all respects. The PLCB must be notified of any discrepancies prior to consolidation and shipment to the PLCB Distribution Center(s). The PLCB reserves the right to resolve any discrepancies prior to consolidation and shipment. The Selected Offeror has the responsibility to ensure that PLCB-required case coding/labeling is on all cases when delivered to the PLCB.

The Selected Offeror shall inspect all product for carton count and visible damage. The Selected Offeror shall isolate, record, and track all damaged product. Any damage discovered by the Selected Offeror after merchandise is accepted by the Selected Offeror shall be the responsibility of the Selected Offeror, unless the PLCB agrees, in writing, that the damage was concealed at the time of receipt by the Selected Offeror. The Selected Offeror may exercise any subrogation rights which it may have against third parties who deliver damaged merchandise.

- 2. Staging Services:** The Selected Offeror shall have an adequate staging area at their facility(ies). A layout of the staging area(s) should be included in the technical proposal. A detailed layout diagram to scale and photos of the proposed facility(ies) should also be included in the technical proposal.
- 3. Packaging Services:** All shipments of wine and spirits to the PLCB will be in case packs as specified on the Purchase Order. The shipping containers, including outer and inner packing, must meet carrier and PLCB acceptance for safe handling, stacking, transportation to, storage, and reshipment from PLCB Distribution Centers to PLCB State retail stores. Packaging must comply in all respects with the governing classification of common carriers. The normal schedule for delivery to PLCB Distribution Centers shall be five (5) days per week. The Selected Offeror will discuss any change to or deviation from the established delivery schedule with the PLCB and the PLCB Warehouse Manager. The PLCB will advise the Selected Offeror, in writing, whenever it relocates or reassigns a pick-up or delivery point.

The Selected Offeror shall shrink-wrap/stretch-wrap all pallets and load in vehicle conveyance with appropriate load stabilization or air bags. All product shall be shipped on a slip sheet or four (4)-way access, 40 inch by 48 inch warehouse pallet. Due to the unique nature of this combined consolidation and delivery process, repackaging may be a necessary process to facilitate the distribution of the product. It is highly recommended that repackaging be done in corrugated fiberboard, high strength boxes, with appropriate bottle partitions as an inner pack.

The PLCB requires that its merchandise be protected from temperature extremes during storage and transport. The Selected Offeror will be notified by the Bureau of Distribution and Logistics when inadequate packaging is discovered. If it is necessary for a DC Operator to repackage product received from the Selected Offeror in unshipable condition, then the DC operator will repackage the product in accordance with PLCB protocol at the Selected Offeror's expense. Any repackaging that occurs as a result of inadequate packaging or damage will be "charged back" to the Selected Offeror as a claim. Entire shipments with damage deemed excessive may be refused with subsequent notice to the Selected Offeror by the Bureau of Distribution and Logistics.

- 4. Labeling Services:** The Selected Offeror shall perform labeling services, including, but not limited to, standard printed labels, which must be supplied by the Selected Offeror and contain the PLCB Code, SCC Bar Code, and item description (see **Appendix K, Labeling Procedures**).

- 5. Delivery Services:**

- a) Pallets**

The PLCB will not enter into any pallet exchange program. The Selected Offeror may contact private contractors that manage the Distribution Centers and establish such a program by mutual agreement.

- b) Manifest of Liquor Shipments for Truck or Intermodal Shipments**

A Manifest of Liquor Shipment must be provided showing the PLCB Purchase Order number/advance shipping number, number of cases by PLCB Code number/SCC and total, shipping Permit number, and required delivery date.

The original manifest must accompany the merchandise to the Distribution Center to which the shipment is consigned. The manifest shall be attached to the last case loaded, to the rear door, or to the inside wall adjacent to the rear door of the trailer. Any truck arriving at a PLCB Distribution Center without a manifest will not be unloaded until a manifest is provided. The PLCB will not be responsible for detention or demurrage charges in such an instance.

- c) Bill of Lading**

A completed Bill of Lading containing a PLCB Permit number and/or ASN (Advanced Shipping Notice) number and a scheduled delivery date must be

provided with all shipments of merchandise to the PLCB. Delivery time must be prearranged with the appropriate Distribution Center up to ten (10) days prior to delivery.

d) Commonwealth of PA Licensing Requirements

Only Carriers that meet Commonwealth of Pennsylvania licensing requirements may deliver merchandise to PLCB facilities. Carriers must be informed of these delivery requirements as well as loading and unloading requirements. Information may be found at [Pennsylvania Liquor Control Board](#) (Terms and Conditions for the Sale of Wine).

e) Loading Requirements

The Selected Offeror must load all shipments using methods that assure safe transportation. Cases must be securely stacked and dunnaged. The use of glue or other adhesive material on the exterior of cases to secure unitized loads is discouraged.

Shipments containing multiple Codes should have all cases of the same Code loaded together contiguously with the case Code labels turned in the direction of the receiver. This procedure simplifies identification, speeds unloading, and enhances the tally process of counting cases as they are moved onto the receiving dock.

Pallets or slip sheets that contain more than one (1) Code on the same pallet must be segregated at the Distribution Center's receiving dock. This process will require additional unloading time. Truck drivers phoning in to make a Distribution Center delivery appointment should not tender the load as being unitized when there are multiple Codes per pallet. The load should be scheduled as a floor load to ensure that sufficient unloading time is made available. All shipping paperwork should indicate when multiple Codes are in the shipment, as well as when there are multiple Codes per pallet.

6. Damage Handling: Any merchandise ordered on a PLCB Purchase Order that is received at a PLCB Distribution Center in a damaged condition as a result of transportation damage must be processed as follows:

- a)** If the entire shipment is damaged, inadequately packaged, or the damage/poor packaging is deemed extensive, the total shipment may be refused and the Selected Offeror contacted and notified of this action.
- b)** If the damage is as a result of inadequate packaging and only a portion of the shipment is affected, the shipment will be received and a claim or chargeback for damage to the Selected Offeror will be processed. The Carrier driver will sign the Distribution Center Damage/Shortage Report with estimated damages and will be given a copy. If pictures of damages are required, it will be the responsibility of the Carrier for the Selected Offeror to obtain pictures. Any objection to a claim shall be made in writing within thirty (30) days of the claim to the PLCB. Failure to submit

an objection to the claim with detailed documentation shall be considered the Selected Offeror's agreement to the propriety of the claim. Claims will reflect the total financial cost to the PLCB.

- c) If the damage occurred in transit and affects only a portion of the shipment, a claim will be filed with the Selected Offeror.
- d) In the event of excessive damages, the PLCB reserves the right to refuse receipt. The PLCB will contact the Selected Offeror prior to processing a claim or chargeback.
- e) Distribution Center contractors will make the damaged merchandise saleable at their respective damage reconditioning rates. It will be the responsibility of the Selected Offeror to contact the appropriate Distribution Center contractor for the applicable rate. A list of Distribution Center contractors, including contact information, will be given to the Selected Offeror.

7. Inventory Control: The Selected Offeror must establish controls to protect product from damage, pilferage, misuse or unauthorized access. Commonwealth of Pennsylvania laws and regulations require one hundred percent (100%) accountability for all product at all times. The Selected Offeror shall maintain accurate perpetual inventory records with transactional audit trail capabilities. The Selected Offeror shall maintain a first in/first out ("FIFO") inventory management practice. The Selected Offeror shall be financially responsible for any inventory shortages and damages for materials in its possession or control, including through delivery to the Distribution Centers. The value of any shortages or damages will be calculated at the average cost of the items in inventory.

8. Safeguarding Merchandise: The Selected Offeror shall safeguard merchandise from loss, shortage, breakage, burglary, and theft while in the Selected Offeror's possession. The Selected Offeror is deemed to be in control of merchandise from the point in time that the load is picked up through receipt at the Distribution Center(s). The Selected Offeror shall be financially responsible for any inventory shortages and damages which occur while in the Selected Offeror's control. Shortages and damage will be calculated at the average case cost. The Selected Offeror shall provide insurance in the amount of ten million dollars (\$10,000,000.00) against loss and shall name the PLCB as an additional insured on all policies against loss.

9. Standard Reports: Reports shall be supplied as set forth in Appendix J.

Task B Special Services: Upon request of the PLCB, the Selected Offeror shall perform special services related to, but not otherwise provided for, in this RFP at rates which will be mutually agreed upon. Special handling/expedited service could be part of this task. These services will be billed "at cost" and should not be incorporated into the submitted Cost Submittal.

IV-5 Project Control.

- A. Status Information.** Weekly status information covering activities, problems and recommendations.
- B. Issues Log.** The Issues log shall include:
 - 1. A unique ID number.
 - 2. Name of the reporting individual.
 - 3. A clear description of the issue.
 - 4. Date issue was reported.
 - 5. Resource(s) assigned to resolve the issue.
 - 6. Status of the issue (open, closed, deferred).
 - 7. Priority (high, medium, low).
 - 8. Due date specifying the date by which the issue must be resolved or conveyed to the PLCB Project Manager.
 - 9. A resolution column with dated notes, including initials of the individual making the notation, detailing all actions taken through resolution of the issue.

At a minimum, open/late issues in the Project Issue Log must be reviewed on a weekly basis by the PLCB's Project Manager; however, the review may be required more frequently depending on the number and type of open issues at any given time. This frequency of review will be mutually determined by the PLCB and the Selected Offeror.

IV-6 Contract Requirements—Small Diverse Business Participation. All contracts containing Small Diverse Business participation must also include a provision requiring the Selected Offeror to meet and maintain those commitments made to Small Diverse Businesses at the time of proposal submittal or contract negotiation, unless a change in the commitment is approved by the BSBO. All contracts containing Small Diverse Business participation must include a provision requiring Small Diverse Business subcontractors to perform at least **fifty (50%)** of the subcontracted work.

The Selected Offeror's commitments to Small Diverse Businesses made at the time of proposal submittal or contract negotiation shall, to the extent so provided in the commitment, be maintained throughout the term of the contract and through any renewal or extension of the contract. Any proposed change must be submitted to BSBO, which will make a recommendation to the Contracting Officer regarding a course of action.

If a contract is assigned to another Offeror, the new Offeror must maintain the Small Diverse Business participation of the original contract.

The Selected Offeror shall complete the Prime Contractor's Quarterly Utilization Report (or similar type document containing the same information) and submit it to the contracting officer of the Issuing Office and BSBO within **ten (10)** workdays at the end of each quarter the contract is in force. This information will be used to determine the actual dollar amount paid to Small Diverse Business subcontractors and suppliers. Also, this information will serve as a record of fulfillment of the commitment the selected contractor made and for which it received Small Diverse Business participation points. If there was no activity during the quarter then the form must be completed by stating "No activity in this quarter."

NOTE: EQUAL EMPLOYMENT OPPORTUNITY AND CONTRACT COMPLIANCE STATEMENTS REFERRING TO COMPANY EQUAL EMPLOYMENT OPPORTUNITY POLICIES OR PAST CONTRACT COMPLIANCE PRACTICES DO NOT CONSTITUTE PROOF OF SMALL DIVERSE BUSINESS STATUS OR ENTITLE AN OFFEROR TO RECEIVE CREDIT FOR SMALL DIVERSE BUSINESS UTILIZATION.

APPENDIX A

**STANDARD CONTRACT TERMS AND
CONDITIONS**

The Standard Terms and Conditions may be accessed at the following link:
http://www.dgsweb.state.pa.us/comod/CurrentForms/STD274_SAP.doc.

The first sentence of Paragraph 3 under “Term of Contract” on Page 1 is changed as follows:
“The fully executed Contract shall contain ink signatures by the Commonwealth.”

The Pennsylvania Liquor Control Board uses the Oracle system instead of SAP. The Selected Offeror, therefore, will be required to register with the PLCB's Supplier Unit. Registration information is available at the following link:

http://www.portal.state.pa.us/portal/server.pt/community/logistics/17480/supplier_registration/61_1701.

APPENDIX B

SPECIAL CONTRACT TERMS AND CONDITIONS

SPECIAL CONTRACT TERMS AND CONDITIONS

1. OTHER CONTRACTORS

The CONTRACTOR, its agents and employees, shall fully cooperate with and not restrict facility access to other PLCB/Commonwealth contractors and/or employees inasmuch as the performance of work of such other contractors and/or Commonwealth employees is related to the operation of the PLCB's business. The CONTRACTOR, its agents and employees, shall not commit or permit any act which will interfere with the performance of work by any other PLCB/Commonwealth contractor and/or employees. This paragraph shall be included in any subcontracts. The PLCB shall equitably enforce this paragraph on all contractors to prevent the imposition of unreasonable burden upon any contractor. The CONTRACTOR shall be responsible for any costs incurred by the PLCB/Commonwealth or PLCB/Commonwealth contractors for violations of this paragraph.

2. OFFICIALS NOT BE BENEFIT

No member of the General Assembly of the Commonwealth of Pennsylvania or any individual employed by the Commonwealth/PLCB on a full-time basis shall be admitted to any share or part of this contract, or to any benefit that may arise therefrom; but this provision shall not be construed to extend to this Contract if made with a corporation for the corporation's general benefit.

3. INSURANCE REQUIREMENTS

CONTRACTOR shall procure and maintain at its expense the following types of insurance issued by companies and evidenced by policies, both of which are acceptable to the PLCB and authorized to conduct such business under the laws of the PLCB:

Such policies shall be occurrence rather than claims-made policies and shall name the PLCB as an additional insured. The insurance shall not contain any endorsements or any other form designed to limit and restrict any action by the PLCB, as an additional insured, against the insurance coverage in regard to work performed for the PLCB.

Current certificates of insurance shall be submitted with the technical proposal. These certificates shall contain a provision that coverage afforded under the policies shall not be cancelled or changed until at least thirty (30) days prior written notice has been given the PLCB. Copies of such notification shall be sent to the PLCB Contract Administrator.

CONTRACTOR also agrees to authorize any provider of insurance coverage required under this Contract, to notify the Contract Administrator of any notices or premiums due by sending a copy of such notice to the Contract Administrator. The PLCB reserves the right, in the event of any default by the CONTRACTOR on any premiums due hereunder, the cure said default and to deduct such premiums from any monies due the CONTRACTOR.

- a. Worker's compensation insurance for all CONTRACTOR's employees and those of any subcontractor, engaged in work at the site of the project in accordance with the Worker's Compensation Act of 1915 and any supplements or amendments thereof.
- b. Comprehensive General Liability, Property Damage, and Automobile Liability Insurance to protect the PLCB, CONTRACTOR, and any and all subcontractors from claims for damages for personal injury (including bodily injury), sickness or disease, accidental death, and damage to property, including loss of use resulting from any property damage, which may arise out of the services performed under this Contract, whether such performance be by CONTRACTOR, by any subcontractor, or anyone directly or indirectly employed by either. The limits of such insurance shall be in an amount not to exceed one million dollars (\$1,000,000.00 for injury to or death of one person in a single occurrence and three million dollars (\$3,000,000.00) for injury to or death of more than one person in a single occurrence and ten million dollars (\$10,000,000.00) for a single occurrence of property damage. The insurance must cover, at a minimum, any loss, shortage, breakage, burglary or theft of PLCB merchandise or other Commonwealth property that occurs in the performance of this contract.
- c. Flood Insurance – The CONTRACTOR shall maintain flood insurance insuring the interest of the PLCB in all merchandise in the custody of the CONTRACTOR. The amount of the insurance maximum will be based on the allowable insurance available for that specific site. This Subparagraph is applicable to any and all facilities/equipment situated in a flood plain designated by the U.S. Government.
- d. Fire Regulation Compliance – CONTRACTOR agrees to comply with regulations and rules of the fire insurance company(ies) insuring the merchandise in the custody of the CONTRACTOR.
- e. Personal Injury/Property Damage – Without in any way limiting the scope of Subparagraph 3 above regarding insurance, the CONTRACTOR shall be liable for all personal injuries or property damage to invitees while on the CONTRACTOR's property. The CONTRACTOR shall also be liable for any injuries or damages sustained by the PLCB, its agents, employees or invitees resulting from the activities of the CONTRACTOR, its agents, employees or invitees.

4. DISCHARGE

If during the term of the Contract, or any additional period or extension thereof, the PLCB is required to discontinue operations due to actions or inactions taken by the courts, the Federal government, the Legislature of the Commonwealth of Pennsylvania, or some other cause beyond the control of the PLCB, this Contract shall immediately expire and both parties are discharged from all terms, conditions, and covenants in this Contract. However, a final settlement of this Contract is required and shall survive expiration of this Contract.

5. INSOLVENCY

In addition to any other provisions of this Contract, regardless of any Order of Court and not be way of limitation, if at any time during the term of this Contract, pursuant to any statute either of the United States or of any State, bankruptcy proceedings, voluntary or involuntary, and including, Chapter XI – Reorganization of the Federal Bankruptcy Act; appointment of a receiver of all or a portion of the CONTRACTOR's property; or if the CONTRACTOR makes an assignment for the benefit of the creditors; or the CONTRACTOR assigns the Contract voluntarily or involuntarily by judicial sale or otherwise; and the same are not withdrawn, settled, or disposed within thirty (30) days of filing, appointment, or assignment, this Contract at the option of the PLCB exercised within a reasonable period of time from notice of the happening of any one (1) or more such events may be cancelled and terminated and the CONTRACTOR shall be in default of the terms of this Contract. This provision shall in no way limit any other rights of the PLCB in the event of the CONTRACTOR's default of any other terms of this contract.

6. FUEL SURCHARGE

A Fuel Surcharge per case incremental rate will be calculated monthly utilizing the DOE Central Atlantic Retail On-Highway Diesel Price published on Mondays. The average of the previous month's Monday prices will be used for billing for the following month. Website address: <http://tonto.eia.doe.gov/oog/info/wohdp/diesel.asp>.

Price per Gallon Above or Below (+/-) Benchmark Price			Fuel Surcharge/Case if Fuel Prices are > Benchmark Price*	Fuel Surcharge/Case if Fuel Prices are < Benchmark Price
	\$3.851			
Benchmark Price +/- < \$0.25			\$0.00	\$0.00
\$0.26	to	\$0.50	\$0.0100	(\$0.0100)
\$0.51	to	\$0.75	\$0.0200	(\$0.0200)
\$0.76	to	\$1.00	\$0.0300	(\$0.0300)
\$1.01	to	\$1.25	\$0.0400	(\$0.0400)
\$1.26	to	\$1.50	\$0.0500	(\$0.0500)
\$1.51	to	\$1.75	\$0.0600	(\$0.0600)
\$1.76	to	\$2.00	\$0.0700	(\$0.0700)
\$2.01	to	\$2.25	\$0.0800	(\$0.0800)
\$2.26	to	\$2.50	\$0.0900	(\$0.0900)
\$2.51	to	\$2.75	\$0.1000	(\$0.1000)

7. TITLE/ RISK OF LOSS/SHIPPING TERMS

Notwithstanding the fact that title to product passes to the PLCB at the point of pick up from the vendor, CONTRACTOR shall bear the risk of loss for all product from door to door (origin to PLCB distribution centers), as set forth in paragraph 3 Insurance Requirements above. Freight shall be prepaid to PLCB distribution centers for all product, including all taxes, duties and fees.

APPENDIX C

LIQUOR CODE SECTION, LAWS OF
PENNSYLVANIA

LIQUOR CODE SECTION, LAWS OF PENNSYLVANIA

The Contractor shall comply with Liquor Code Sections 210 and 214 [47 P.S. §§ 2-210, 2-214], which provide as follows:

Section 2-210. Restrictions on members of the board and certain employees of Commonwealth

- (a) A member or employee of the board or enforcement bureau or a member of the immediate family of a member or employee of the board or enforcement bureau shall not be directly or indirectly interested or engaged in any other business or undertaking within the Commonwealth dealing in liquor, alcohol, or malt or brewed beverages, whether as owner, part owner, partner, member of syndicate, holder of stock exceeding five percent (5%) of the equity at fair market value of the business, independent contractor or manager of a licensed establishment required under 40 Pa. Code §5.23 (relating to appointment of managers), and whether for his own benefit or in a fiduciary capacity for some other person. For the purpose of this subsection only, "employee of the board or Enforcement Bureau" shall mean any individual employed by the board or Enforcement Bureau who is responsible for taking or recommending official action of a non-ministerial nature with regard to:
 - (1) Contracting or procurement;
 - (2) Administering or monitoring grants or subsidies;
 - (3) Planning or zoning;
 - (4) Inspecting, licensing, regulating or auditing any person; or
 - (5) Any other activity where the official action has an economic impact of greater than a de minimis nature on the interests of any person.
- (b) No member or employee of the board or enforcement bureau or a member of the immediate family of a member or employee of the board or enforcement bureau nor any employee of the Commonwealth shall solicit or receive, directly or indirectly, any commission, remuneration or gift whatsoever, from any person having sold, selling or offering liquor or alcohol for sale to the board for use in Pennsylvania Liquor Stores.
- (c) No person convicted of an infamous crime may be employed as a member or employee by the board or enforcement bureau.
- (d) No member or employee of the board or enforcement bureau may use his position with the board or enforcement bureau, or any confidential information received through his position with the board or enforcement bureau, to obtain financial gain,

other than compensation provided by law, for himself, a member of his immediate family or a business with which he is associated.

- (e) No person may offer or give to a member or employee of the board or enforcement bureau or a member of his immediate family or a business with which he is associated, and no member or employee of the board or enforcement bureau may solicit or accept anything of value, including a gift, loan, political contribution, reward or promise of future employment, based on an understanding that the vote, official action or judgment of the member or employee of the board or enforcement bureau would be influenced thereby.
- (f) No member or employee of the board or enforcement bureau or a member of his immediate family or any business in which the member or employee or a member of his immediate family is a director, officer or owner or holder of stock exceeding five percent (5%) of the equity at fair market value of the business may enter into any contract valued at five hundred dollars (\$500.00) or more to provide goods or services to the board or enforcement bureau unless the contract has been awarded to the lowest responsible bidder through an open and public process, including prior public notice and subsequent public disclosure of all proposals considered and contracts awarded.
- (g) No former member or employee of the board or enforcement bureau may represent a person, with or without compensation, on any matter before the board or enforcement bureau for one year after leaving the board or enforcement bureau.
- (h) No member or employee of the board or enforcement bureau or an advisor or consultant thereto having recommended to the board or enforcement bureau either the making of a contract or a course of action of which the making of a contract is an express or implied part, may, at any time thereafter, have an adverse interest in that contract.
- (i) No member or employee of the board or enforcement bureau may influence or attempt to influence the making of, or supervise or deal with, a contract with the board or enforcement bureau in which he has an adverse interest.
- (j) No member or employee of the board or enforcement bureau may have an adverse interest in a contract with the board or enforcement bureau.
- (k) No person having an adverse interest in a contract with the board or enforcement bureau may become an employee of the board or enforcement bureau until the adverse interest has been wholly divested.
- (l) No member or employee of the board or enforcement bureau, except in the performance of his duties as such employee, may, for remuneration, directly or indirectly, represent a person upon a matter pending before the board or enforcement bureau.

(m) (1) Any person who violates the provisions of this section shall have his employment by the board or enforcement bureau immediately terminated by the appropriate person having the power to terminate and shall be liable to the board or enforcement bureau to reimburse the board or enforcement bureau for all compensation received by him from the board or enforcement bureau while employed in violation of subsection (c).

(2) Any person who violates the provisions of subsections (b), (d) or (e) shall be guilty of a felony and, upon conviction thereof, shall be sentenced to pay a fine of not more than ten thousand dollars (\$10,000.00) or to undergo imprisonment for not more than five (5) years, or both.

(3) Any person who violates the provisions of subsections (a) or (f) through (l) shall be guilty of a misdemeanor and, upon conviction thereof, shall be sentenced to pay a fine of not more than one thousand dollars (\$1,000.00) or to undergo imprisonment for not more than one (1) year, or both.

(4) Any person who obtains financial gain from violating any provisions of this section, in addition to any other penalty provided by law, shall pay into the accounts of the board a sum of money equal to three (3) times the financial gain resulting from the violation.

(5) Any person who violates the provisions of this section shall be barred for a period of five (5) years from engaging in any business or contract with the board or enforcement bureau.

(6) The penalties and sanctions provided by this subsection shall supersede any similar penalties and sanctions provided by the act of July 19, 1957 (P.L. 1017, No. 451), known as the "State Adverse Interest Act" and the act of October 4, 1978 (P.L. 883, No. 170), referred to as the Public Official and Employee Ethics Law.

(n) As used in this section, the following words and phrases shall have the meanings given to them in this subsection:

"Business" shall mean a corporation, partnership, sole proprietorship, firm, enterprise, franchise, association, organization, self-employed individual, holding company, joint-stock company, receivership, trust or legal entity organized for profit or as a not-for-profit corporation or organization.

"Immediate family" shall mean a spouse residing in the person's household and minor dependent children.

"Infamous Crime" shall mean a violation and conviction for an offense which would disqualify an individual from holding public office pursuant to section 6 of Article II of the Constitution of Pennsylvania; a conviction within the preceding ten (10) years for a violation of this section or of 18 Pa.C.S. § 4113 (relating to misapplication of entrusted property and property of government or financial institutions), Ch. 47

(relating to bribery and corrupt influence), Ch. 49 (relating to falsification and intimidation), Ch. 51 (relating to obstructing governmental operations) or Ch. 53 (relating to abuse of office); or a violation of the laws of this Commonwealth or another state or the Federal Government for which an individual has been convicted within the preceding ten (10) years and which is classified as a felony.

Section 2-214. Prohibitions

- (a) The board may not make a contract or otherwise do business with a corporation, vendor or service contractor that has not complied with the regulatory and statutory requirements of any other administrative agency.
- (b) The board may not make a contract or otherwise do business with a transportation carrier for hire of liquor, wine or malt or brewed beverages which (carrier) has not obtained the proper permits from the Pennsylvania Public Utility Commission under 66 Pa. C.S. Ch. 25 (relating to contract carrier by motor vehicle and broker).

APPENDIX D

SAMPLE CONTRACT

SAMPLE

SAMPLE CONTRACT

THIS CONTRACT to continue consolidating beverage alcohol products and transporting them from various vendors on the west coast of the United States, primarily the wine growing regions of California, to the PLCB's Distribution Centers "*United States West Coast Consolidation Services*" ("Contract") is entered into this _____ day of _____, 201____, by and between the Commonwealth of Pennsylvania, acting through the Pennsylvania Liquor Control Board ("PLCB"), and _____ ("CONTRACTOR").

WITNESSETH:

WHEREAS, the PLCB issued a Request For Proposals to continue consolidating beverage alcohol products and transporting them from various vendors on the west coast of the United States, primarily the wine growing regions of California to the PLCB's Distribution Centers for "*United States West Coast Consolidation Services*," RFP No. 20120510 ("RFP"); and

WHEREAS, CONTRACTOR submitted a proposal in response to the RFP; and

WHEREAS, the PLCB determined that CONTRACTOR's proposal, was the most advantageous to the Commonwealth after taking into consideration all of the evaluation factors set forth in the RFP and selected CONTRACTOR for contract negotiations; and

WHEREAS, the PLCB and CONTRACTOR have negotiated this Contract as their final and entire agreement in regard to consolidating beverage alcohol products and transporting them from various vendors on the west coast of the United States, primarily the wine growing regions of California, to the PLCB's Distribution Centers.

NOW THEREFORE, intending to be legally bound hereby, the PLCB and CONTRACTOR agree as follows:

1. CONTRACTOR shall, in accordance with the terms and conditions of this Contract, provide a strategy to the PLCB to consolidate beverage alcohol products and transporting them from various vendors on the west coast of the United States, primarily the wine growing regions of California, to the PLCB's Distribution Centers, as more fully defined in the RFP, which is attached hereto and made part of this Contract.
2. CONTRACTOR agrees that the services shall be performed during the contract period of sixty (60) months following the date of the Notice to Proceed of this Contract by the PLCB. PLCB's Contracting Officer may extend this contract incrementally or in one step, for a period of up to three (3) months, by written notification to the Selected Offeror. This right to extend the Contract in no way minimizes the PLCB's right to the timely receipt of the project deliverables as specified in the RFP.

3. The PLCB shall pay the CONTRACTOR during the existence of this Contract for work completed in accordance with the terms and conditions of the Contract, the maximum amount of XXXXXXXX Dollars and XXXXX Cents (\$_____) for the time period set forth in #2 above of this Contract.
4. The PLCB and CONTRACTOR agree to be bound by the Standard Contract Terms and Conditions for Services – STD-274, Rev. 2/10/12, which is attached hereto and made part of this Contract.
5. The PLCB and CONTRACTOR agree to be bound by the Special Contract Terms and Conditions, which is attached and made part of this Contract.
6. CONTRACTOR agrees to provide a strategy for the “*United States West Coast Consolidation Services*” as described in its Technical Submittal, which is attached hereto and made part of this Contract, at the prices listed in its Cost Submittal, which is attached hereto and made part of this Contract.
7. CONTRACTOR agrees to meet and maintain the commitments made in its Small Diverse Business Submittal, if applicable.
8. This Contract is comprised of the following documents, which are listed in order of precedence in the event of a conflict between these documents:
 - a. The Special Contract Terms and Conditions.
 - b. The Standard Contract Terms and Conditions for Services – STD-274, Rev. 2/10/2012.
 - c. The CONTRACTOR’s Cost Submittal and any addenda, if applicable.
 - d. The RFP and any addenda, including all referenced Appendices.
 - e. The CONTRACTOR’s Technical Submittal and any addenda, if applicable.

[THE REMAINDER OF THIS PAGE IS INTENTIONALLY LEFT BLANK]

IN WITNESS WHEREOF, the parties have executed this Contract on the date first above written.

ATTEST: CONTRACTOR:
FEDERAL ID NO: _____
BY: _____ BY: _____
NAME DATE NAME DATE
TITLE: _____ TITLE: _____

If a Corporation, only the Chairman, President, Vice President, Senior Vice President, Executive Vice President, Assistant Vice President, Chief Executive Officer or Chief Operating Officer must sign; if one of these officers is not available, please attach a resolution. If a sole proprietorship, only the owner must sign; if a partnership, only one partner needs to sign; if a limited partnership, only a general partner may sign. If a Limited Liability Company ("LLC"), only one member needs to sign, unless it is a manager-based LLC, then a manager must sign. If a Municipality, Authority, or other entity, please attach a resolution.

DO NOT WRITE BELOW THIS LINE--FOR COMMONWEALTH USE ONLY

ATTEST: CONTRACTOR:
FEDERAL ID NO: _____
BY: _____ BY: _____
NAME DATE NAME DATE
TITLE: _____ TITLE: _____

APPROVED AS TO LEGALITY
AND FORM

BY _____
For Chief Counsel DATE

BY _____
Deputy Attorney General DATE

CERTIFICATION OF FUNDS:

I HEREBY CERTIFY THAT FUNDS
IN THE AMOUNT OF \$ _____
ARE AVAILABLE UNDER
APPROPRIATION 084-026-204

BY _____
For Comptroller DATE

APPENDIX E

DOMESTIC WORKFORCE UTILIZATION CERTIFICATION

DOMESTIC WORKFORCE UTILIZATION CERTIFICATION

To the extent permitted by the laws and treaties of the United States, each proposal will be scored for its commitment to use the domestic workforce in the fulfillment of the contract. Maximum consideration will be given to those offerors who will perform the contracted direct labor exclusively within the geographical boundaries of the United States or within the geographical boundaries of a country that is a party to the World Trade Organization Government Procurement Agreement. Those who propose to perform a portion of the direct labor outside of the United States and not within the geographical boundaries of a party to the World Trade Organization Government Procurement Agreement will receive a correspondingly smaller score for this criterion. In order to be eligible for any consideration for this criterion, offerors must complete and sign the following certification. This certification will be included as a contractual obligation when the contract is executed. Failure to complete and sign this certification will result in no consideration being given to the offeror for this criterion.

I, _____ [title] of _____ [name of Contractor] a _____ [place of incorporation] corporation or other legal entity, ("Contractor") located at _____ [address], having a Social Security or Federal Identification Number of _____, do hereby certify and represent to the Commonwealth of Pennsylvania ("Commonwealth") (Check **one** of the boxes below):

All of the direct labor performed within the scope of services under the contract will be performed exclusively within the geographical boundaries of the United States or one of the following countries that is a party to the World Trade Organization Government Procurement Agreement: Aruba, Austria, Belgium, Bulgaria, Canada, Chinese Taipei, Cyprus, Czech Republic, Denmark, Estonia, Finland, France, Germany, Greece, Hong Kong, Hungary, Iceland, Ireland, Israel, Italy, Japan, Korea, Latvia, Liechtenstein, Lithuania, Luxemburg, Malta, the Netherlands, Norway, Poland, Portugal, Romania, Singapore, Slovak Republic, Slovenia, Spain, Sweden, Switzerland, and the United Kingdom

OR

_____ percent (____ %) [Contractor must specify the percentage] of the direct labor performed within the scope of services under the contract will be performed within the geographical boundaries of the United States or within the geographical boundaries of one of the countries listed above that is a party to the World Trade Organization Government Procurement Agreement. Please identify the direct labor performed under the contract that will be performed outside the United States and not within the geographical boundaries of a party to the World Trade Organization Government Procurement Agreement and identify the country where the direct labor will be performed: _____

[Use additional sheets if necessary]

The Pennsylvania Liquor Control Board shall treat any misstatement as fraudulent concealment of the true facts punishable under Section 4904 of the *Pennsylvania Crimes Code*, Title 18, of Pa. Consolidated Statutes.

Attest or Witness:

Corporate or Legal Entity's Name

Signature/Date

Signature/Date

Printed Name/Title

Printed Name/Title

APPENDIX F, COST SUBMITTAL TEMPLATE

Formulas are embedded in this worksheet. Offerors must verify that all calculations are accurate. The per case rate is inclusive of every component listed in Task A, Consolidation and Delivery Services.

Task A, Consolidation and Delivery Services.

First Contract Year	\$	per case
Second Contract Year	\$	per case
Third Contract Year	\$	per case
Fourth Contract Year	\$	per case
Fifth Contract Year	\$	per case
Labeling Fee	\$	per case
Repack/Recoup	\$	per case

NOTE: For purposes of scoring the cost submission only, each contract year will be multiplied by the average number of cases per month (81,000) plus the labeling fee per case multiplied by 1000 (average monthly rate) plus the repack/recoup fee per case multiplied by 1000 (average monthly rate) x 12 = amount per year. These calculations will be made by the PLCB's Issuing Officer and the Office of Budget using Offeror's per-case rates. Offerors should not submit any calculations; rather, the only figures that Offerors should submit are the per case rate inclusive of every component listed in Task A, Consolidation and Delivery Services for each of the above categories.

APPENDIX G

PROPOSAL COVER SHEET

PROPOSAL COVER SHEET
COMMONWEALTH OF PENNSYLVANIA
PENNSYLVANIA LIQUOR CONTROL BOARD
RFP# 20120510

Enclosed in three separately sealed submittals is the proposal of the Offeror identified below for the above-referenced RFP:

Offeror Information:	
Offeror Name	
Offeror Mailing Address	
Offeror Website	
Offeror Contact Person	
Contact Person's Phone Number	
Contact Person's Facsimile Number	
Contact Person's E-Mail Address	
Offeror Federal ID Number	

Submittals Enclosed and Separately Sealed:	
<input type="checkbox"/>	Technical Submittal
<input type="checkbox"/>	Small Diverse Business Submittal
<input type="checkbox"/>	Cost Submittal

<i>Signature</i>	
Signature of an official authorized to bind the Offeror to the provisions contained in the Offeror's proposal:	
Printed Name	
Title	

FAILURE TO COMPLETE, SIGN AND RETURN THIS FORM WITH THE OFFEROR'S PROPOSAL MAY RESULT IN THE REJECTION OF THE OFFEROR'S PROPOSAL

APPENDIX H

CORPORATE SIGNATORY DELEGATION

AUTHORIZATION

CORPORATE SIGNATORY DELEGATION AUTHORIZATION

I, _____, of _____, City of _____,
(Name) (Address)

County of _____, State of _____, certify that I am the
_____ of _____, a corporation organized under the laws
(Title/Capacity) (Name of Corporation)

of the State of _____, having its principal office at _____,
(Address)
City of _____, County of _____, State of _____; and
that the following is a true and complete copy of a resolution duly adopted by the Board of
Directors of _____ at a meeting held by them on _____ day of
(Name of Corporation)

_____, _____, at which a quorum was present, and that this resolution has not been
altered, amended, repealed, rescinded, or otherwise modified that that it is still in full force
and effect.

RESOLVED THAT _____ of _____, City of
(Name) (Address)

_____, County of _____, State of _____ is hereby
authorized to execute contracts on behalf of the corporation.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed the seal of the
corporation this _____ day of _____, 20____

(Signature of Certifying Official)
(SEAL)

(Typed or Printed Name)

(Title)

APPENDIX I

SAMPLE SPECIFIC PEFFORMANCE BOND

A Sample of a Specific Performance Bond may be accessed at the following link:
<http://www.dgsweb.state.pa.us/comod/CurrentForms/gspur55.doc>.

APPENDIX J

STANDARD REPORTS

STANDARD REPORTS

1. Daily report (may be through access to Offeror's system/web portal)

- a.** Inventory by SKU by Purchase Order (PO)
- b.** Open PO quantity, by SKU by PO
- c.** Five (5) day anticipated pick up activity (total cases)
- d.** Five (5) day anticipated ship activity (total cases/total truckloads)

2. Weekly report

- a.** Cases shipped during preceding week, month to date cases shipped
- b.** Loads shipped during preceding week, month to date loads shipped
- c.** Case inventory level
- d.** Listing of open and completed POs for the week, based on pickups at vendor's* facility (PO, PLCB code, cases open, cases closed)
- e.** Listing of ASNs in transit (ASN #, Carrier, date shipped total cases)
- f.** Listing of POs and ASNs shipped to PLCB by Distribution Center (ASN #, Carrier, date shipped, total cases)
- g.** Listing of POs and ASNs received by PLCB by Distribution Center (ASN#, Carrier, date shipped, total cases)
- h.** Listing of damage activity on inbounds from supplier
- i.** Listing of damage activity on receipts at PLCB

3. Monthly report

- a.** Cases picked up at vendor's* facility (total cases)
- b.** Cases labeled (total cases)
- c.** Cases repacked (total cases)
- d.** Cases shipped to PLCB by Distribution Center (total cases)
- e.** Loads shipped to PLCB by Distribution Center (number of loads)
- f.** Detail listing of cases labeled by Offeror, by PO
- g.** Detail listing of cases repacked by Offeror, by PO

4. Ad hoc report

- a.** Vendor* issues
- b.** Other PLCB business

*Vendor means the company from which the Selected Offeror receives beverage alcohol on the west coast of the United States and which the Selected Offeror then delivers to PLCB Distribution Centers.

APPENDIX K

LABELING PROCEDURES

The following instructions must be followed to create a Shipping Container Code, create a label, place the label, pack and ship Wine and Spirit products to PLCB Distribution Centers.

The following is required on each case of Wine and Spirit products to be received by PLCB Distribution Centers:

- Product Description, e.g. Product Name, Size, Vintage and Proof.
- PLCB Code Number. (Code assigned by PLCB)
- 14-Digit Shipping Container Code (SCC). (Code created by Supplier)

PLCB surcharges, penalties and/or shipment refusal will be applied for failing to meet the requirements.

Shipping Container Codes Requirements

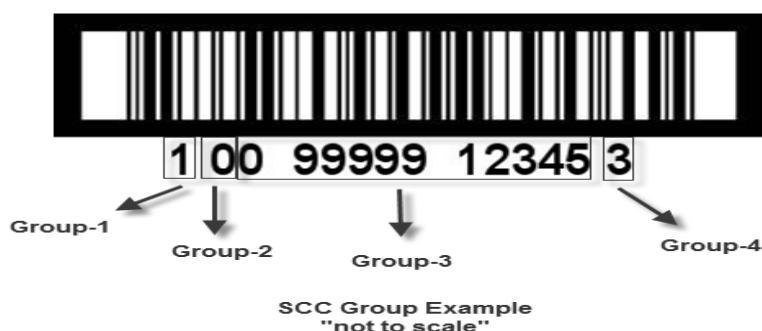
All Wine and Spirit products received by PLCB Distribution Centers require a 14-digit SCC.

It is the responsibility of Suppliers to:

- Create a 14-digit SCC for their PLCB approved products.
- Notify the PLCB of all SCC's created or changed by completing *PLCB Standard Quote Form 20*.
- Provide SCC barcodes on each case that is readable by the PLCB Distribution Centers scanning equipment. The accepted barcode symbology is Interleaved 2 of 5 (ITF-14).

The 14-digit SCC is comprised of four groups:

SCC Grouping Example:



Group-1 - Packaging Indicator. The first digit assigned must be a number ranging from one (1) through eight (8). The numbers one (1) through eight (8) indicate different levels of packaging, e.g. case, carton, pallet, bale, etc. As products are received in the Distribution Centers as cases, the number one (1) should be the packaging indicator.

Group-2 - The next digit must be zero (0).

Group-3 - The next eleven digits are the first eleven digits from the UPC of the product inside the case.

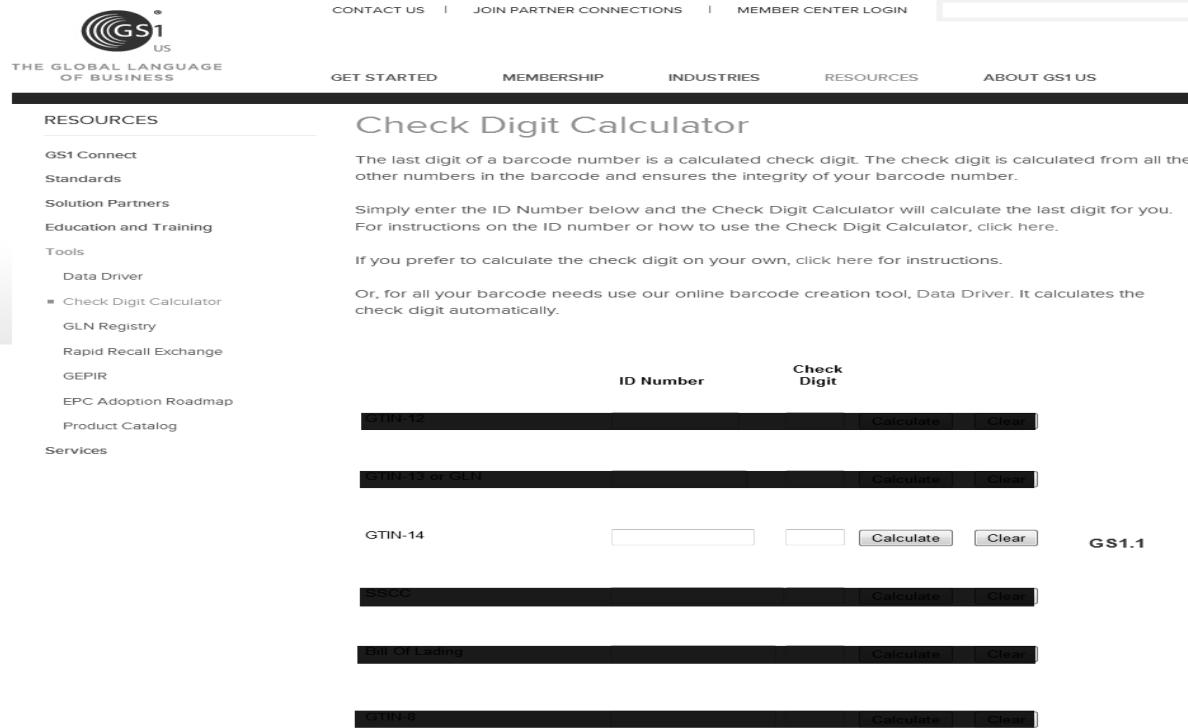
Group-4 - The final digit (14th digit) is the calculated check digit. Refer to the Global Language of Business | GS1 (US) link below for the SCC calculated check digit and validation.

NOTE – If creating an SCC for special products, i.e. Holiday and/or Promotional items, contact the SCC/Labeling Coordinator:

SCC Check Digit and Validation:

- Select the Global Language of Business | GS1 (US) website below.
 - <http://www.gs1us.org/resources/tools/check-digit-calculator>

SCC Check Digit and Validation, Example-GS1:



The last digit of a barcode number is a calculated check digit. The check digit is calculated from all the other numbers in the barcode and ensures the integrity of your barcode number.

Simply enter the ID Number below and the Check Digit Calculator will calculate the last digit for you. For instructions on the ID number or how to use the Check Digit Calculator, click here.

If you prefer to calculate the check digit on your own, click here for instructions.

Or, for all your barcode needs use our online barcode creation tool, Data Driver. It calculates the check digit automatically.

ID Number	Check Digit
GTIN-12	0

GTIN-13 or GLN	Calculate	Clear

GTIN-14	Calculate	Clear

GTIN-0	Calculate	Clear

GS1.1 - Provide 13-digits (refer to *SCC Grouping Example* above) for the calculated 14th check digit then validate. SCC check digits must be validated prior to submission to the PLCB via the *Standard Quote Form 20*.

PLCB Case Labeling Requirements

All product information provided by Suppliers must be consistent with all product information required on the label.

The information may be printed on the case surface or printed on white stock paper affixed to the case in accordance with *PLCB Label Placement Requirements*.

Multi-State and/or NABCA labels are acceptable, if:

- Symbology is Interleaved 2 of 5 (ITF-14).
- Stamped or affixed to the cases in accordance with the *PLCB Label Placement Requirements*.

PLCB Standard Case Label, Example-A:



A.1 - Product Description, e.g. Product Name, Size, Vintage and Proof

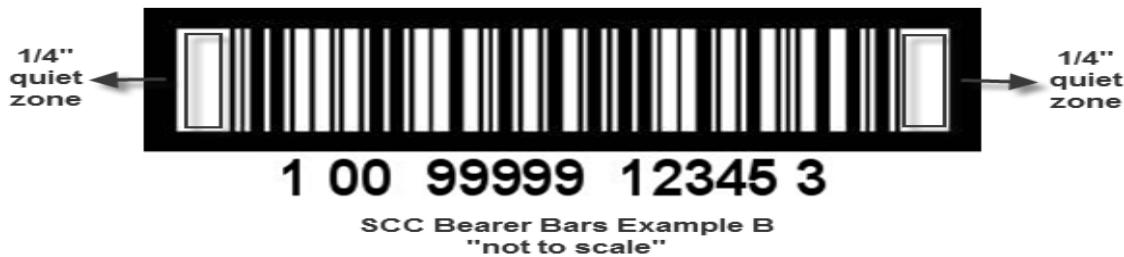
A.2 - UPC. Must be the same as the product within the case. Symbology must be 1" H X 1½" W.

A.3 - "PA" State abbreviation and PLCB Code. State abbreviation symbology must be 3/8" H and precede PLCB Code. PLCB Code symbology must be ¾" H.

A.4 - SCC. Symbology must be 1¼" H a minimum of 4" L/maximum of 6" L. Include a ¼" quiet zone/white space on each side. SCC must be printed at the bottom of the label.

Do not place the SCC barcoding to the immediate right or left of the UPC barcoding, as the scanner may read only the UPC and/or try to read both. Bearer bars are acceptable, either at the top and bottom or encompassing the entire SCC barcode and must not interfere with the size and placement requirements (*Example-B*).

SCC Bearer Bars, Example-B:



Holiday Packaged Merchandise must have the suffix "G" succeeding the PLCB Code.

PLCB Holiday Packaging Case Label, Example-C:



C.1 - Product Description, e.g. Product Name, Size, Vintage and Proof.

C.2 - UPC. Must be the same as the product within the case. Symbology must be 1"H X 1½"W.

C.3 - "PA" State abbreviation, PLCB Code and "G." Abbreviation and "G" symbology must be 3/8"H. State abbreviation must precede PLCB Code. PLCB Code symbology must be ¾"H. "G" must succeed the PLCB Code.

C.4 - SCC. Symbology must be 1¼"H with a minimum of 4)L/maximum of 6)L. Include a ¼" quiet zone/white space on each side. SCC must be printed at the bottom of the label.

PLCB Case Label Placement Requirements

The case label must be affixed on two (2) adjacent sides of all cases. The bottom edge of the SCC barcode (excluding the bearer bars) must be placed 1¼" from the bottom of the case. The outer edge of the SCC barcode (excluding bearer bars) must be 1¼" from the vertical edge of the case. Wrap-around labels are permitted in accordance with the same.

PLCB Packing and Shipping Requirements

Packing

Wine and Spirit products to be received by PLCB Distribution Centers must be packaged:

- To the degree of protection necessary to prevent deterioration or damage during shipment on all commercial modes of transportation.
- To secure lowest transportation costs and comply with common carrier regulations.
- Packaged according to the unit count on the purchase order so that the products may be handled as a unit.

Shipping

Wine and Spirit products shipped to PLCB Distribution Centers:

- All loads must have a manifest affixed to the last case loaded, the rear trailer doors, or the wall immediately adjacent to the rear trailer doors, which includes:
 - PLCB Purchase Order Number or Advance Shipment Notice if Bailment products.
 - PLCB Permit Number.
 - Number of Cases by PLCB Code.
 - Total Number of Cases.
 - Product Sell-By Date (If applicable).
 - Delivery Date.
- All loads must be received on the scheduled delivery date or delivery appointment.
 - Distribution Centers must be phoned no less than ten (10) days prior to scheduled delivery date to secure a time.
 - PLCB Buyers/Account Managers must be notified if delivery will not occur during the calendar week scheduled.
 - Exceptions:
 - Supplier must contact the Distribution Centers within calling hours to reschedule.
- All Straight/FT/LT Loads must be shipped on pallets (48Wx40L) or slip sheets.
 - The unit load must be shrink or stretch wrapped.
- All loads are driver-unload with the exception of *Unitized Pallets*.
 - Lumper fees, pallet return/exchange are the responsibility of the driver.
 - Driver must observe.
 - Maximum of four (4) hours permitted.

Unitized Pallets

Unitization encompasses bundling, consolidation, or palletization of products containing only one (1) PLCB Code:

- Shipments must be considered for unitization where appropriate or if specified.
- All markings must be as noted in the *PLCB Case Label and Placement* instructions and be legible, durable, and identify the contents.

Unitized pallets shall be unloaded by PLCB Distribution Centers.

- Driver must observe.

Shipping requirements for Bailment products refer to *Vendor Bailment Contract*.

Unless otherwise specified, all products must be packed and shipped in accordance with best commercial practices.

PLCB Distribution Centers Calling Hours:

Distribution Center 1 (Philadelphia): (215) 365-6200 Ext. 100 **Mon – Fri 6:00 AM – 1:00 PM**

Distribution Center 4 (Taylor): (570) 558-5187 **Mon – Fri 4:30 AM – 10:30 AM**

Consolidators: Contact the PLCB SCC/Labeling Coordinator for SCC/Labeling questions or concerns.

APPENDIX L

TRADE SECRET/CONFIDENTIAL PROPRIETARY INFORMATION NOTICE

Trade Secret/Confidential Proprietary Information Notice

Instructions:

The Commonwealth may not assert on behalf of a third party an exception to the public release of materials that contain trade secrets or confidential proprietary information unless the materials are accompanied, at the time they are submitted, by this form or a document containing similar information.

It is the responsibility of the party submitting this form to ensure that all statements and assertions made below are legally defensible and accurate. The Commonwealth will not provide a submitting party any advice with regard to trade secret law.

Name of submitting party:

Contact information for submitting party:

Please provide a brief overview of the materials that you are submitting (e.g. bid proposal, grant application, technical schematics):

Please provide a brief explanation of why the materials are being submitted to the Commonwealth (e.g. response to bid #12345, application for grant XYZ being offered by the Department of Health, documents required to be submitted under law ABC)

Please provide a list detailing which portions of the material being submitted you believe constitute a trade secret or confidential proprietary information, and please provide an explanation of why you think those materials constitute a trade secret or confidential proprietary information. Also, please mark the submitted material in such a way to allow a reviewer to easily distinguish between the parts referenced below. (You may attach additional pages if needed)

Note: The following information will not be considered a trade secret or confidential proprietary information:

- Any information submitted as part of a vendor's cost proposal
- Information submitted as part of a vendor's technical response that does not pertain to specific business practices or product specification
- Information submitted as part of a vendor's technical or disadvantaged business response that is otherwise publicly available or otherwise easily obtained
- Information detailing the name, quantity, and price paid for any product or service being purchased by the Commonwealth

Page Number Description

Explanation

Acknowledgment

The undersigned party hereby agrees that it has read and completed this form, and has marked the material being submitted in accordance with the instructions above. The undersigned party acknowledges that the Commonwealth is not liable for the use or disclosure of trade secret data or confidential proprietary information that has not been clearly marked as such, and which was not accompanied by a specific explanation included with this form.

The undersigned agrees to defend any action seeking release of the materials it believes to be trade secret or confidential, and indemnify and hold harmless the Commonwealth, its agents and employees, from any judgments awarded against the Commonwealth in favor of the party requesting the materials, and any and all costs connected with that defense. This indemnification survives so long as the Commonwealth has possession of the submitted material, and will apply to all costs unless and until the undersigned provides a written statement or similar notice to the Commonwealth stating that it no longer wishes to exempt the submitted material from public disclosure.

The undersigned acknowledges that the Commonwealth is required to keep all records for at least as long as specified in its published records retention schedule.

The undersigned acknowledges that the Commonwealth reserves the right to reject the undersigned's claim of trade secret/confidential proprietary information if the Commonwealth determines that the undersigned has not met the burden of establishing that the information constitutes a trade secret or is confidential. The undersigned also acknowledges that if only a certain part of the submitted material is found to constitute a trade secret or is confidential, the remainder of the submitted material will become public; only the protected information will be removed and remain nonpublic.

If being submitted electronically, the undersigned agrees that the mark below is a valid electronic signature.

Signature

Title

Date