



State of Idaho

**CHANGE ORDER - 03**

PLEASE DO NOT DUPLICATE THIS ORDER.

Change Order Summary		Supplier
<b>Purchase Order Number:</b>	SBPO1416	Mike grasmick GRASMICK PRODUCE 215 east 42nd street Boise, ID 83714 <b>Phone:</b> 208-376-3981
<b>Account Number:</b>	AC-1	<b>Fax:</b> 208-376-3988
<b>Revision Number:</b>	03	<b>Email:</b> mike@grasmickproduce.com
<b>Change Order Date:</b>	October 19, 2016	
<b>Service Start Date:</b>	November 1, 2016	
<b>Service End Date:</b>	October 31, 2017	
<b>Payment Method:</b>	Invoice	
<b>Payment Terms:</b>	NET30	
<b>Currency</b>	USD	
<b>FOB Instruction:</b>	Destination	
<b>Attachment(s):</b>	<a href="#">ChangeLog.htm</a> :Purchase Order Change	

**Contract Number:**

Bill To Address	Ship To Address
DOP - Various State Agencies State of Idaho Various Locations See Below for Details on Specific Locations Various, Idaho 83702 <b>Phone:</b> 208-327-7465 <b>Fax:</b> 208-327-7320 <b>Email:</b> purchasing@adm.idaho.gov <b>Mail Stop:</b> DOP - Various Locations	DOP - Various State Agencies State of Idaho Various Locations See Below for Details on Specific Locations Various, Idaho 83702 <b>Phone:</b> 208-327-7465 <b>Fax:</b> 208-327-7320 <b>Email:</b> purchasing@adm.idaho.gov <b>Mail Stop:</b> DOP - Various Locations

**Instructions**

SBPO1416, Statewide Fresh Produce for Idaho Institutions (the "Contract") is renewed for an additional period of time, as provided above. All of the terms and conditions contained in the Contract shall remain in full force and effect, except as expressly modified herein. Contractor's signed renewal letter is attached and incorporated herein by reference.

Note: The dollar amount listed in the contract renewal pricing is an estimate and cannot be guaranteed. The actual dollar amount of the Contract may be more or less depending on the orders placed by the State; or may be dependent upon the specific terms of the Contract.

Contract History:  
Contract initial term: 11/1/13 - 10/31/14. Total estimated amount: \$435,959.45.  
Renewal 01. Term: 11/1/14 - 10/31/15. Total estimated amount: \$500,00.00.  
Renewal 02. Term: 11/1/15 - 10/31/16. Total estimated amount: \$645,00.00.  
Renewal 03. Term: 11/1/16 - 10/31/17. Total estimated amount: \$665,00.00  
Total estimated contract value: \$2,245,959.45.

Items					
Supplier Part Number	Quantity	Back Order	Unit	Unit Price	Total
39084	1.00	0	ANN	665,000.00	\$665,000.00

**Item Description**

#1

Contract period: November 1, 2016 through October 31, 2017.



**Delivery Date:**

October 20, 2016

**Shipping Method:**

Delivery

**Shipping Instructions:**

**Ship FOB:**

**Attachment(s)**

**Special Instructions:**

<b>Sub-Total (USD)</b>	\$665,000.00
<b>Estimated Tax (USD)</b>	\$0.00
<b>TOTAL: (USD)</b>	\$665,000.00

**Note:** If there is a  next to an item's unit price, that indicates that the price has been discounted.

**Signature :**

**Signed By :** Jason R. Urquhart



C.L. "Butch" OTTER  
Governor  
ROBERT L. GEDDES  
Director  
SARAH HILDERBRAND  
Administrator

# State of Idaho

Department of Administration  
Division of Purchasing

650 West State Street B-15 (83702)  
P. O. Box 83720  
Boise, ID 83720-0075  
Telephone (208) 327-7465  
Fax: 208-327-7320  
<http://purchasing.idaho.gov>

October 19, 2016

Grasmick Produce  
Attn: Angela Reed

VIA E-MAIL TRANSMISSION  
[angela@grasmickproduce.com](mailto:angela@grasmickproduce.com)  
[kent@grasmickproduce.com](mailto:kent@grasmickproduce.com)

RE: Renewal of Contract SBPO1416, a Contract for Fresh Produce for Various State of Idaho Agencies, Institutions, and Departments  
Expiring October 31, 2016

The letter we sent to Grasmick Produce dated October 4, 2016 is hereby rescinded.

The State of Idaho would like to renew the above referenced contract for a period of One (1) Year.

The contract renewal period is November 1, 2016 to October 31, 2017. The same terms and conditions prevail for the contract renewal period, except as expressly modified herein.

**The following is a modification to the Agreement that will go into effect upon the start date of the above renewal period, if Grasmick Produce agrees to renew:**

1. See the Agreement's section 2.1, Purchase and Delivery of Fresh Produce – General. The following is added to the end as a new paragraph:

"Additionally, Agencies may, at their discretion, purchase alternate items from the Contractor of a quality similar to that of standard-order item\* products that cost less than the Unit Price\*\* of the standard-order item (the Alternate Items). Purchases of this nature must be provided to the requesting Agency on orders separate from their normal orders, and the separate order must be clearly designated by the Contractor as such on the invoices. Also, purchases of this nature are not subject to the auditing provisions found in sections 3.4 and 3.4.1 of the Agreement; however, the Contractor must provide a separate quarterly report to each Agency that makes purchases of this nature identifying what was ordered, what was delivered and what the final prices were. Purchases of this nature are subject to the administrative fee and other reporting requirements in the Agreement.

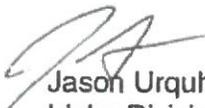
\* Standard-order item means items that are listed on the Bid Schedule and fresh produce items added by Agencies during the term of the Agreement, provided, notwithstanding anything herein to the contrary, the State of Idaho acknowledges and agrees that the Alternate Items hereunder may differ in unit of measure and by of a slightly inferior grade than the full price Standard-order items set forth on the Bid Schedule.

\*\* See the Bid Schedule; this is the unit price that consists of the supplier invoice plus the mark-up."

If the terms of this renewal letter are acceptable to your company, please sign in the appropriate space below and mail, fax (208.327.7320) or e-mail ([purchasing@adm.idaho.gov](mailto:purchasing@adm.idaho.gov)) to the Division of Purchasing. If you need to update the contact information for this contract, please do so below. Please update your IPRO profile as well, if necessary, in order to continue to receive e-mail notifications through the IPRO System.

Thank you for your consideration in this matter.

Sincerely,

  
Jason Urquhart  
Idaho Division of Purchasing

APPROVED:  YES  NO

COMPANY: Grasmick Produce

BY:   
(Signature)

Angela Reid-Grasmick  
(Printed Name)

Date: 10-19-16

UPDATED CONTACT INFORMATION for SBPO1416:

Contact Name	
Title	
Address	
Phone	
Fax	
E-mail	

# IDAHO

State of Idaho

## CHANGE ORDER - 02

PLEASE DO NOT DUPLICATE THIS ORDER.

Change Order Summary		Supplier
<b>Purchase Order Number:</b>	SBPO1416	Mike grasmick GRASMICK PRODUCE 215 east 42nd street Boise, ID 83714 <b>Phone:</b> 208-376-3981
<b>Account Number:</b>	AC-1	<b>Fax:</b> 208-376-3988
<b>Revision Number:</b>	02	<b>Email:</b> mike@grasmickproduce.com
<b>Change Order Date:</b>	August 26, 2015	
<b>Service Start Date:</b>	November 1, 2015	
<b>Service End Date:</b>	October 31, 2016	
<b>Payment Method:</b>	Invoice	
<b>Payment Terms:</b>	NET30	
<b>Currency</b>	USD	
<b>FOB Instruction:</b>	Destination	
<b>Attachment(s):</b>	<a href="#">ChangeLog.htm</a> :Purchase Order Change	

### Buyer Contact

Jason Urquhart  
Tel:208-332-1608  
Fax: 208-327-7320  
jason.urquhart@adm.idaho.gov

**Contract Number:**

Bill To Address	Ship To Address
DOP - Various State Agencies State of Idaho Various Locations See Below for Details on Specific Locations Various, Idaho 83702	DOP - Various State Agencies State of Idaho Various Locations See Below for Details on Specific Locations Various, Idaho 83702
<b>Phone:</b> 208-327-7465	<b>Phone:</b> 208-327-7465
<b>Fax:</b> 208-327-7320	<b>Fax:</b> 208-327-7320
<b>Email:</b> purchasing@adm.idaho.gov	<b>Email:</b> purchasing@adm.idaho.gov
<b>Mail Stop:</b> DOP - Various Locations	<b>Mail Stop:</b> DOP - Various Locations

### Instructions

SBPO1416, Statewide Fresh Produce for Idaho Institutions (the "Contract") is renewed for an additional period of time, as provided above. All of the terms and conditions contained in the Contract shall remain in full force and effect, except as expressly modified herein. Contractor's signed renewal letter is attached and incorporated herein by reference.

Note: The dollar amount listed in the contract renewal pricing is an estimate and cannot be guaranteed. The actual dollar amount of the Contract may be more or less depending on the orders placed by the State; or may be dependent upon the specific terms of the Contract.

#### Contract History:

Contract initial term: 11/1/13 - 10/31/14. Total estimated amount: \$435,959.45.  
Renewal 01. Term: 11/1/14 - 10/31/15. Total estimated amount: \$500,00.00.  
Renewal 02. Term: 11/1/15 - 10/31/16. Total estimated amount: \$645,00.00.  
Total estimated contract value: \$1,580,959.45.

Supplier Part Number	Items				
	Quantity	Back Order	Unit	Unit Price	Total
39084	1	0	ANN	\$645,000.00	\$645,000.00

**Item Description**

#1

Contract period: November 1, 2015 through October 31, 2016.

**Delivery Date:**

August 27, 2015

**Shipping Method:**

Delivery

**Shipping Instructions:****Ship FOB:****Attachment(s)****Special Instructions:****Sub-Total (USD)**

\$645,000.00

**Estimated Tax (USD)**

\$0.00

**TOTAL: (USD)**

\$645,000.00

**Note: If there is a  next to an item's unit price, that indicates that the price has been discounted.**

**Signature :****Signed By :** Jason R. Urquhart



**State of Idaho**  
 Department of Administration  
 Division of Purchasing

**C.L. "Butch" OTTER**  
 Governor  
**ROBERT L. GEDDES**  
 Director  
**BILL BURNS**  
 Administrator

650 West State Street B-15 (83702)  
 P. O. Box 83720  
 Boise, ID 83720-0075  
 Telephone (208) 327-7465  
 Fax: 208-327-7320  
<http://purchasing.idaho.gov>

August 26, 2015

Grasmick Produce  
 Attn: Angela Reed

VIA E-MAIL TRANSMISSION  
 c/o kent@grasmickproduce.com

RE: Renewal of Contract SBPO1416, a Contract for Fresh Produce for various State of Idaho Agencies, Institutions, and Departments  
 Expiring October 31, 2015

The State of Idaho would like to renew the above referenced contract for a period of One (1) Year.

The contract renewal period is November 1, 2015 to October 31, 2016. The same terms, conditions and prices prevail for the contract renewal period, except as expressly modified herein.

If the terms of this renewal letter are acceptable to your company, please sign in the appropriate space below and mail, fax (208.327.7320) or e-mail ([purchasing@adm.idaho.gov](mailto:purchasing@adm.idaho.gov)) to the Division of Purchasing. If you need to update the contact information for this contract, please do so below. Please update your IPRO profile as well, if necessary, in order to continue to receive e-mail notifications through the IPRO System.

Thank you for your consideration in this matter.

Sincerely,

Jason Urquhart  
 Idaho Division of Purchasing

APPROVED:  YES  NO

COMPANY: Grasmick Produce Co., Inc.

BY: Angela Grasmick  
 (Signature)

Angela Grasmick  
 (Printed Name)

Date: 8-26-15

UPDATED CONTACT INFORMATION for SBPO1416:

Contact Name	Angela Grasmick
Title	President
Address	215 E. 42nd St. Boise ID 83714
Phone	208-376-3981
Fax	208-376-3988
E-mail	angela@grasmickproduce.com



State of Idaho

**CHANGE ORDER**

**PLEASE DO NOT DUPLICATE THIS ORDER.**

**Change Order Summary**

**Supplier**

**Purchase Order Number:** SBPO1416  
**Account Number:** AC-1  
**Revision Number:** 01  
**Change Order Date:** September 23, 2014  
**Service Start Date:** November 1, 2014  
**Service End Date:** October 31, 2015  
**Payment Method:** Invoice  
**Payment Terms:** No Payment Terms specified  
**Currency:** USD  
**FOB Instruction:** Destination  
**Attachment(s):** [ChangeLog.htm](#) :Purchase Order Change

Mike grasmick  
 GRASMICK PRODUCE  
 GRASMICK PRODUCE  
 215 east 42nd street  
 Boise, ID 83714  
 208-376-3981

**Contract Number:**

**Bill To Address**

**Ship To Address**

DOP - Various State Agencies  
 State of Idaho  
 Various Locations  
 See Below for Details  
 on Specific Locations  
 Various, Idaho 83702  
**Phone:** 208-327-7465  
**Fax:** 208-327-7320  
**Email:** purchasing@adm.idaho.gov  
**Mail Stop:** DOP - Various Locations

DOP - Various State Agencies  
 State of Idaho  
 Various Locations  
 See Below for Details  
 on Specific Locations  
 Various, Idaho 83702  
**Phone:** 208-327-7465  
**Fax:** 208-327-7320  
**Email:** purchasing@adm.idaho.gov  
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**Instructions**

SBPO1416, Statewide Fresh Produce for Idaho Institutions (the "Contract") is renewed for an additional period of time, as provided above. All of the terms and conditions contained in the Contract shall remain in full force and effect, except as expressly modified herein. Contractor's signed renewal letter is attached and incorporated herein by reference.

Note: The dollar amount listed in the contract renewal pricing is an estimate and cannot be guaranteed. The actual dollar amount of the Contract may be more or less depending on the orders placed by the State; or may be dependent upon the specific terms of the Contract.

**Contract History:**

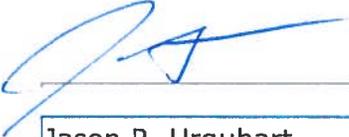
Contract initial period: November 1, 2013 – October 31, 2014. Estimated annual amount: \$435,959.45.

Total estimated contract value: \$935,959.45

Supplier Part Number	Quantity	Items Back Order	Unit	Unit Price	Total
39084	1	0	ANN	\$500,000.00	\$500,000.00
<b>Item Description</b>	#1 Contract renewal period: November 1, 2014 through October 31, 2015. 				
<b>Delivery Date:</b>	September 23, 2014				
<b>Shipping Method:</b>	Delivery				
<b>Shipping Instructions:</b>					
<b>Ship FOB:</b>					
<b>Attachment(s)</b>					
<b>Special Instructions:</b>					

<b>Sub-Total (USD)</b>	\$500,000.00
<b>Estimated Tax (USD)</b>	\$0.00
<b>TOTAL: (USD)</b>	\$500,000.00

**Note: If there is a  next to an item's unit price, that indicates that the price has been discounted.**



Jason R. Urquhart



State of Idaho  
 Department of Administration  
 Division of Purchasing

C.L. "BUTCH" OTTER  
 Governor  
 TERESA LUNA  
 Director  
 BILL BURNS  
 Administrator

650 W State Street, Room B15  
 P. O. Box 83720  
 Boise, ID 83720-0075  
 Telephone (208) 327-7465  
 FAX (208) 327-7320  
<http://www.adm.idaho.gov/purchasing/>

September 16, 2014

Grasmick Produce  
 Attn: Dutch Grasmick

VIA E-MAIL TRANSMISSION  
 kent@grasmickproduce.com

RE: Renewal of Contract SBPO1416, a Contract for Fresh Produce for various State of Idaho Agencies, Institutions, and Departments Expiring October 31, 2014

The State of Idaho would like to renew the above referenced contract for a period of One (1) Year.

The contract renewal period is November 1, 2014 to October 31, 2015. The same terms, conditions and prices prevail for the contract renewal period, except as expressly modified herein.

On Grasmick Produce letterhead, please provide the following, along with your response to this letter:

1. Please confirm in writing that Grasmick Produce is going to provide delivery of fresh produce to institutions in northern Idaho, rather than a subcontractor making those deliveries, and confirm the date that this is going to begin.
2. Please provide a description of how this will be accomplished, such as Grasmick Produce using company-owned delivery vehicles to make deliveries, or other method.
3. Please sign the requested letter.

If the terms of this renewal letter are acceptable to your company, please sign in the appropriate space below and mail, fax (208.327.7320) or e-mail ([purchasing@adm.idaho.gov](mailto:purchasing@adm.idaho.gov)) to the Division of Purchasing. If you need to update the contact information for this contract, please do so below. Please update your IPRO profile as well, if necessary, in order to continue to receive e-mail notifications through the IPRO System.

Thank you for your consideration in this matter.

Sincerely,

  
 Jason Urquhart  
 Idaho Division of Purchasing

APPROVED: X YES      NO  
 COMPANY: GRASMICK PRODUCE CO, INC.  
 BY: Dutch Grasmick  
 (Signature)  
Dutch Grasmick  
 (Printed Name)  
 Date: 9-17-14

'14 SEP 19 AM 9:18

# GRASMICK *Produce Co., Inc.*

215 EAST 42ND., BOISE, ID. 83714  
PHONE: 208.376.3981 • FAX: 208.376.3988  
TOLL FREE: 800.743.9597



**DATE: September 17, 2014**

**TO: Jason Urquhart, Idaho Division of Purchasing**

**FROM: Grasmick Produce Co, Inc.**

**RE: Renewal of Contract SBPO1416, a Contract for Fresh Produce for various State of Idaho Agencies, Institutions, and Departments: expiring October 31, 2014.**

**Grasmick Produce Co, Inc. will be providing delivery of fresh produce to institutions in Northern Idaho. We have devised a planned route from our distribution center in Boise, ID to cover the Northern Idaho distribution area. We have purchased a new delivery vehicle and hired another experienced driver to join our fleet to deliver this new route.**

**The route is set to begin delivery, from our Boise location, on Monday October 20<sup>th</sup>, 2014. From that day forward we will assume full responsibility of the service for that area.**

**We appreciate the opportunity to service the different State of Idaho Agencies, Institutions, and Departments.**

*Dutch Grasmick - 9-17-14*

**Dutch Grasmick  
Owner and President  
Grasmick Produce Co, Inc.**



THIS NUMBER MUST APPEAR  
ON ALL DOCUMENTS

Bill To:  
Various State Agencies  
Located throughout Idaho  
Various, ID 83701

Various State Agencies

## Statewide Blanket Purchase Order

Statewide Blanket Purchase Order  
SBPO1416

DELIVER TO: State of Idaho Various Agencies  
Various State Agencies  
located throughout Idaho  
\*\*\*  
Various, ID 83701  
Sarah.Hilderbrand@adm.idaho.gov

Date: Fri Sep 27, 2013  
F.O.B.: Destination  
Terms:

VENDOR: GRASMICK PRODUCE  
215 east 42nd street  
Boise, ID 83714  
Attn: vice president  
Vendor Nbr:  
Emailed To: [mike@grasmickproduce.com](mailto:mike@grasmickproduce.com)  
Phone: 208 376-3981  
Fax: 208 376-3988  
eCommerce ID: P00000096587

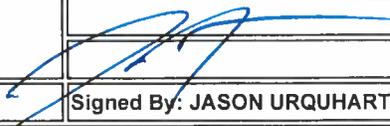
Start of Service Date: Fri Nov 01, 2013  
End of Service Date: Fri Oct 31, 2014

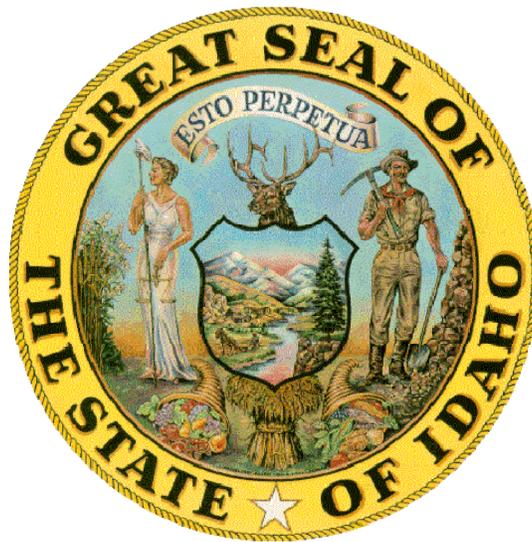
Solicitation#: ITB03999  
DOC#: PREQ21796

9 Header Attachments
<a href="#">2013 Statewide Fresh Produce ITB2.doc</a>
<a href="#">Attachment A - Location Information.xls</a>
<a href="#">Attachment B Bid Schedule - revised.xls</a>
<a href="#">Attachment C School Districts.pdf</a>
<a href="#">Attachment D IDOC Security.doc</a>
<a href="#">Attachment F AreasZones.pdf</a>
<a href="#">Fresh Produce ITB03999 Amend One.doc</a>
<a href="#">Fresh Produce ITB03999 Amend Two.doc</a>
<a href="#">Grasmick Bid.pdf</a>

Buyer: JASON URQUHART 208-332-1608

Item No	Description	Quantity UOM	Unit Price	Extension
000	BLANKET PURCHASE AGREEMENT ( line item particulars follow )	1 lot		435959.45
	Total:			435959.45
Blanket Comments:				

Item No	Description	Quantity UOM	Unit Price	Extension
001	Statewide Fresh Produce for the State of Idaho (Estimated total amount for the period of November 1, 2013 through October 31, 2014 = \$435,959.45) ( 390-84 ) ( nt )	1 YEAR	\$435,959.45	\$435,959.45
General Comments:	<p><b>NOTICE OF STATEWIDE CONTRACT (SBPO) AWARD</b></p> <p>This Statewide Contract is for Fresh Produce for Idaho Institutions, and is for the benefit of State of Idaho Agencies, institutions, and departments and eligible political subdivisions or public agencies as defined by Idaho Code, Section 67-2327. The Division of Purchasing or the requisitioning agency will issue individual releases (delivery or purchase orders) against this Contract on an as needed basis for the period noted above. This Statewide Contract may be renewed for three (3) additional one (1) year renewal periods subject to mutual, written agreement between the parties.</p> <p>Contract Title:..... Statewide Fresh Produce for Idaho Institutions                      Contract Usage Type:.....Open Contract (see contract subsections 2.1 and 2.13.1)                      Public Agency Clause: .....Yes                      Contract Administration:.... Jason Urquhart                      ---Phone Number:.....208-332-1608                      ---E-Mail:.....jason.urquhart@adm.idaho.gov</p> <p><b>Contractor's Primary Contact</b>                      ---Attn:.....Mike Grasmick                      ---Address:.....215 East 42nd St.                      ---City, State, Zip:.....Boise ID 83714                      Phone Number:.....208-376-3981                      Facsimile Number:.....208-376-3988</p> <p><b>CONTRACTOR:</b> Ship to the FOB DESTINATION point and BILL DIRECTLY to the ORDERING AGENCY. DO NOT MAIL INVOICES TO THE DIVISION OF PURCHASING. Notating the Contract Award Number on any invoices/statement will facilitate the efficient processing of payment.</p> <p><b>QUANTITIES:</b> The State of Idaho, Division of Purchasing can only give approximations of quantities and will not be held responsible for figures given in this document.</p> <p>The dollar amount listed in the contract pricing is an estimate and cannot be guaranteed. The actual dollar amount of the contract may be more or less depending on the actual orders, requirements, or tasks given to the Contractor by the State or may be dependent upon the specific terms of the Contract.</p> <p><b>Order Placement Address &amp; Payment Address:</b> Will be provided by agencies using the contract.</p> <p><b>THIS CONTRACT, (including any files attached), CONSTITUTES THE STATE OF IDAHO'S ACCEPTANCE OF YOUR SIGNED BID, WHICH SUBMISSION IS INCORPORATED HEREIN BY REFERENCE AS THOUGH SET FORTH IN FULL.</b></p> <p>In the event of any inconsistency, unless otherwise provided herein, such Inconsistency shall be resolved by giving precedence in the following order:</p> <ol style="list-style-type: none"> <li>1. This Statewide Blanket Purchase Order document.</li> <li>2. The state of Idaho's original solicitation document.</li> <li>3. The Contractor's signed bid.</li> </ol> <p><b>INVOICES MUST BE SENT TO THE IDAHO ORDERING AGENCY.</b></p>			
Instructions: Freight / Handling Included in Price				
		Signed By: JASON URQUHART		
Select an action.		and Execute Action		Back to Search Awards
jason.urquhart@adm.idaho.gov				



**INVITATION TO BID**  
**STATEWIDE FRESH PRODUCE FOR IDAHO INSTITUTIONS**  
**FOR THE STATE OF IDAHO**

**Date of Issuance: July 19, 2013**

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# **1 GENERAL INSTRUCTIONS AND INFORMATION**

## **1.1 General Description**

The State of Idaho requests Bids for the provision of statewide fresh produce for Idaho Institutions per the requirements of this Invitation to Bid (ITB).

## **1.2 Term**

The initial Agreement term shall be for a period of one (1) year from the Start of Service Date. The Agreement may be renewed upon mutual, written agreement between the parties for up to three (3) additional one (1) year periods.

## **1.3 Delivery Locations**

See Attachment A for list of delivery locations. Additional Institutions may be added to the Agreement at any time during its term upon one (1) week written notice to the Contractor. For Institutions added to the Agreement that are schools or school districts not listed in the ITB by the date and time that Bids are due, the Contractor may add a percent to the Unit Prices for the fresh produce items it delivers to those Institutions; however, the Contractor must first obtain the written approval of that additional percent from the Division of Purchasing.

## **1.4 Pre-Bid Conference Call**

A pre-bid conference call will be held on July 30, 2013 from 9:00 a.m. to 11:00 a.m. Mountain time. All parties interested may attend at their expense. Parties interested in attending this conference call must submit a written request (email or fax is acceptable) to the DOP contact (see subsection 1.6 below) no later than one (1) business day prior to the date of the pre-bid conference call. The written request must specify the name and title of each person who will be attending.

Once the written request is received, the DOP contact will send information regarding how to participate in the pre-bid conference call.

Failure to participate in the pre-bid conference call shall not relieve the Bidder of meeting the requirements of this ITB; however, participation is not a requirement to submit a Bid.

## **1.5 Inquiries**

Parties interested in this ITB must submit any questions in writing to the DOP contact (see subsection 1.6 below) no later than 5 p.m. Mountain time, August 6, 2013. Written questions must be submitted via email on the form provided in Attachment E. Inquiries must reference the heading for the provision in question. The inquiry must contain:

- a) the name of the party's representative who is responsible for the inquiry;
- b) the representative's business telephone number; and
- c) the company name of the party submitting the inquiry.

The tentative date that the State will post written responses to the written questions it has received is August 7, 2013. The questions and responses will be posted as part of an amendment to the ITB via IPRO, the state of Idaho's electronic procurement system (<http://ipro.sicomm.net/IPRO/>).

Attachment E is the only form allowed for submitting written questions pertaining to this ITB. Written questions received via any other method will not be considered by the state of Idaho, and so will not receive a response.

## 1.6 Division of Purchasing Contact

The Division of Purchasing (DOP) contact for this ITB is Jason Urquhart. He may be contacted at:

Direct delivery (UPS, FedEx, etc.): Division of Purchasing  
650 W. State St., Room B-15  
Boise, ID 83702

or

US Postal Service: P.O. Box 83720  
Boise, ID 83720-0075  
(208) 332-1608  
(208) 327-7320 FAX  
[jason.urquhart@adm.idaho.gov](mailto:jason.urquhart@adm.idaho.gov)

## 1.7 Bidder Responsibility

It is the responsibility of each Bidder to examine the entire ITB, seek any required clarification in writing, and review its Bid for accuracy before submitting the Bid. Once the submission deadline has passed, all Bids shall be final unless otherwise indicated in this ITB.

## 1.8 Bid Validity

(Clause 27, Firm Prices, of the Solicitation Instructions to Vendors, shall not apply to this solicitation.) Bids must remain valid for ninety (90) days after the Bid submission deadline or until execution of the Agreement, whichever is sooner. No Bid will be accepted if marked "price prevailing at time of delivery," "estimated prices," "actual costs to be billed," or similar phrases. After the date and time of closing, no price increase will be allowed, unless otherwise stipulated by the State's solicitation documents. All Bids must be in U.S. Dollars.

## 1.9 Bid Submission Items and Method

### 1.9.1 Bid Submission Items

The Bid shall consist of the following:

**1.9.1.1 One completed Idaho Signature Page.** See the attachment to the ITB with the document file name "signature page ITB\_RFP 05-02-13.pdf".

**1.9.1.2 One completed Bid Schedule.** See the attachment with the document file name "Attachment B Bid Schedule.xls". Do not submit your Bid on any other form. Submitting your Bid on a form different than the Bid Schedule may cause your Bid to be rejected as non-responsive. The Bidder must complete and submit as part of its bid the Unit Price Schedule tab, the Special Services tab and the School Districts tab.

The Unit Price Schedule tab of the Bid Schedule includes requirements regarding supplier invoices that must accompany the bid.

### 1.9.2 Bid Submission

The Bid must be submitted manually, as follows:

All submittal documents must be on standard 8½" x 11" paper. The Bid must consist of the Bid submission items listed in subsections 1.9.1.1 and 1.9.1.2. The Bid should be stapled (and not bound)

to facilitate easy handling, photocopying, and reading. Do not submit your Bid by facsimile, telegraph, mail-gram, or electronic mail.

The Bid must be received by the date and time specified on the IPRO header document. This date is subject to amendment; therefore, Bidders are cautioned to carefully read and respond to all IPRO amendments regarding this solicitation. Late submittals will not be considered.

Each Bid must contain the manual signature in ink (blue ink is preferred) on the Idaho Signature Page that is provided with this solicitation. The signature page must be signed by an authorized representative of the Bidder.

Bidders may only submit one (1) Bid in response to this solicitation; alternate Bids will not be allowed and will be rejected.

The Bid must be contained within a single envelope or package, and must be mailed, carrier shipped, or hand delivered to the location listed on the Idaho Signature Page. The Bidder must list the following on the outside of the package:

Attn: Jason Urquhart, Idaho Division of Purchasing  
Bidder Name (company name);  
Number;  
Title;

Bidders must provide one (1) original and one (1) copy of their Bids. Additionally, Bidders must provide one (1) copy of their bids on a CD or USB drive.

Should you experience problems downloading the attached files from IPRO, please contact Sicomnet Customer Service at 800-614-0563. The DOP contact cannot help.

**DISREGARD ALL ELECTRONIC SUBMISSION INSTRUCTIONS. ALL BID MATERIALS MUST BE SUBMITTED MANUALLY ONLY PER THE INSTRUCTIONS CONTAINED WITHIN THE ATTACHED STATE OF IDAHO SIGNATURE PAGE AND THE INSTRUCTIONS IN THE ITB. NO ELECTRONIC SUBMISSIONS WILL BE CONSIDERED.**

### **1.9.3 Method of Bid Pricing**

Prices must be bid by the Unit of Measure indicated on the Bid Schedule (i.e., pound, count, etc.). (See the Bid Schedule, Unit Price Schedule tab for additional Bid Schedule Instructions and Requirements for more information pertaining to units of measure.) Bidders must complete the Bid Schedule with all required information and submit it with their Bids. The "Unit Price Bid" (see Attachment B Bid Schedule) shall be the price as delivered to the Institution, and shall be Fully Burdened (and must factor in the "Mark Up"). For evaluation purposes only, an (Average) Unit Price Per Our Stated Unit of Measure times the Mark Up will be used to calculate the Unit Price Bid.

Failure to properly complete the Bid Schedule with all required information will be cause to reject the Bid as non-responsive.

The Bidder must identify on the Special Services tab of the Bid Schedule the percent effect (up or down) of providing each special service. Please note that Special Service #'s 6 and 7 are optional (they are desired, but not required). If the Bidder cannot provide Special Service #'s 6 and 7, the Bidder may enter "N/A" for them.

The Bidder must identify on the School Districts tab of the Bid Schedule the percent effect (up or

down) of providing delivery to the School District or Districts for which they are capable and willing to provide delivery.

See Bid Schedule Instructions and Requirements on the Unit Price Schedule tab, the Special Services tab and the School Districts tab of the Bid Schedule.

The Contractor shall not charge different prices for providing fresh produce items to different Areas of the state of Idaho (see Attachment F for Areas). The only allowed variances in prices are those identified on the Special Services tab and the School Districts tab of the Bid Schedule.

#### **1.10 Notice of Intent to Award**

A notice of intent to award the Agreement shall be sent to each responsive Bidder.

#### **1.11 Award**

Award will be for all Items listed on the Bid Schedule (see Attachment B Bid Schedule) and will be awarded to the responsible and responsive Bidder with the lowest Grand Total, Fresh Produce. Failure of the Bidder to bid all Items on the Bid Schedule will result in the Bid being found non-responsive.

##### **1.11.1 Single Award**

The State will only issue one (1) Agreement with a single Contractor from this ITB. However, if the Contractor chooses to subcontract a part of the Agreement (such as delivering produce to a certain Area of the state) (see Attachment F for Areas), then it must comply with clause # 15 (Subcontracting) of the State of Idaho Standard Contract Terms and Conditions. It shall be the responsibility of the Contractor to manage the performance of any subcontractor.

#### **1.12 Service of Process**

Contractor consents to service of process upon it by registered or certified mail, return receipt requested, at its last known address. Contractor must notify the State in writing of any change of address to which service of process can be made. Service shall be completed upon Contractor's actual receipt of process or upon the State's receipt of the return thereof by the United States Postal Service as refused or undeliverable. Contractor shall have thirty (30) calendar days after completion of service in which to respond.

Alternatively, Bidders can register with the Idaho Office of the Secretary of State to conduct business in the State of Idaho; however, this must be completed no later than the Solicitation CLOSING (Due) Date in order to be considered for award.

#### **1.13 Definitions**

**Agency** – For the purposes of this ITB, “Agency” shall mean the Idaho Department of Correction, the Idaho Department of Juvenile Corrections, the Idaho Department of Health and Welfare, and the Idaho Division of Veterans Services.

**Fully Burdened** – For the purposes of this ITB, “Fully Burdened” shall mean that there will be no other costs allowed under the Agreement other than the prices bid on the Bid Schedule, and the prices for any items added during the term of the Agreement (see subsection 1.2 for the Agreement's term), and that those prices include all costs associated with providing the services and supplies called for in this ITB to the Institutions, including, but not limited to, wages, administrative overhead, travel, transportation, lodging, per diem and the administrative fee (see subsection 3.5 regarding the administrative fee). Additionally, all prices shall be F.O.B. destination, freight pre-paid and allowed.\*

\* It is understood that the “percent effects” from the Special Services tab and the School Districts tab of the Bid Schedule may be added by the Contractor, but only when applicable.

**Institution** – For the purposes of this ITB, “Institution” shall mean the facilities operated by the Idaho Department of Correction, the Idaho Department of Juvenile Corrections, the Idaho Department of Health and Welfare, the Idaho Division of Veterans Services, and Public Agencies, if applicable.

#### **1.14 Best and Final Offers**

The State may, at its sole option, either accept a bidder’s initial bid by award of a contract or enter into discussions with bidders whose bids are deemed to be reasonably susceptible of being considered for award. Bidders should submit their best bids initially as there is no guarantee the State will conduct discussions. During the initial evaluation process, bids deemed incapable of meeting the scope & needs of the ITB in a satisfactory manner may be removed from further consideration during any best & final offer phase.

During any discussions conducted, adequate procedures will be used to ensure that the contents of the bidders’ correspondence with the State during discussions is kept under strict security, and disclosure of any information from competing bids is prohibited.

If discussions are deemed necessary, they may be used to determine in greater detail the bidder’s qualifications, explore with the bidder the scope & nature of the project, determine that the bidder will make available the necessary personnel & facilities to perform within the required time, or discuss compensation which is fair & reasonable. The primary purpose of any such discussions will be to assure that the bidder has full understanding of the solicitation requirements.

The State will schedule a time for the discussions & provide a date & time for receipt of best & final offers. If during discussions there is a need for clarification or change of the ITB it shall be amended to incorporate such clarification or change.

Bidders will be accorded fair & equal treatment with respect to any opportunity for discussions & revisions of bids. If the bidder does not submit a notice of withdrawal or a best & final offer, once a date & time has been established for receipt of best and final offers, the bidders initial or immediate previous offer will be construed as its best & final offer.

#### **1.15 Negotiations**

The State may, following receipt and evaluation of bids and any allowed Best and Final Offer procedures, negotiate with the apparent low responsive and responsible bidder. Prior to authorizing negotiations the Administrator, Division of Purchasing, shall determine in writing that negotiations may be in the best interest of the State. In addition to any other negotiation criteria described in the specifications, the State may, for example, negotiate to ensure the submitting vendor has a clear understanding of the scope of work required and requirements that must be met, ensure that the vendor will make available the required personnel and facilities to satisfactorily perform the contract, or agree to any clarifications regarding scope of work or other contract terms. During negotiation, adequate procedures will be used to ensure that disclosure of any information provided by the bidder during negotiations is not revealed. If negotiations are unsuccessful, they shall be formally terminated and the State may undertake negotiations with the next the apparent low responsive and responsible bidder.

## **2 PURCHASE AND DELIVERY OF FRESH PRODUCE**

### **2.1 Purchase and Delivery of Fresh Produce - General**

The State of Idaho intends to purchase all of the Items listed on the Bid Schedule and any fresh produce items added by Agencies during the term of the Agreement (see subsection 1.2 for the Agreement's term) from the Contractor, and Items listed on the attached Bid Schedule reflect the State's highest volume purchases. However, each Institution utilizing the Agreement retains the right to purchase no more than twenty percent (20%) of its annual fresh produce purchases from other vendors. Additionally, Institutions may accept donations of fresh produce items, and acceptance of these donations shall not factor into the percentage identified in this paragraph.

At any point during the term of the Agreement, each Institution may identify certain other fresh produce items that it needs to purchase. Due to issues such as prescribed diet orders changing without notice and needing to be implemented immediately, Institutions may require new fresh produce items be delivered within the same week as identified, and may require produce items be delivered within one (1) day after the Contractor receives the order. Item usage or item type is subject to change and may be dependent upon the prices submitted by the Contractor.

The requirements of the Agreement will apply to any fresh produce items added to the Agreement by an Institution.

Note: State Hospital South maintains a School Lunch Program. The Contractor must guarantee in writing that all produce delivered to State Hospital South is grown and distributed in the USA and meets federal School Lunch regulations.

### **2.2 Indefinite Delivery/Indefinite Quantity**

The Agreement shall be an indefinite delivery/indefinite quantity term Agreement. As such, no guarantee shall be made concerning the number of units which may be required or the dates they may be ordered, and the Contractor shall not require any Agency or Institution to purchase any certain amount of the Contractor's stock. The Contractor shall not require any minimum order amounts or minimum order quantities. The State will be obligated only for the quantities on orders issued pursuant to this Agreement.

### **2.3 Quality**

Quality must meet or exceed the specifications stated for each item on the Bid Schedule (specifications on the Bid Schedule include information in the "Description" and the "Unit of Measure" columns), and the requirements of subsections 2.4 through 2.6 below. When items are rejected due to unacceptable quality, unauthorized item substitutions, spoilage or damage, or unauthorized unit size, the Contractor must replace those goods with items of equal quantity and quality or must issue a credit (at the Institution's sole option). These issues shall be acknowledged and documented on the delivery paperwork and signed and dated by both parties at time of delivery. Some issues, however, such as spoilage cannot be determined upon delivery. In those cases, the Institution will notify the Contractor as follows:

- a) within forty-eight (48) hours after receipt for most items;
- b) within five (5) calendar days for items such as melons, apples, oranges, onions, carrots, potatoes (which typically degrade at a slower rate);
- c) no later than one (1) calendar day prior to the expiration date for ready to eat bagged items such as chopped greens, baby carrots, slaw mix, and broccoli flowerets. (The minimum shelf life for ready to eat bagged items shall be eight [8] calendar days after delivery to the Institution.)

Additionally, when items are rejected due to unacceptable quality, unauthorized item substitutions, spoilage or damage, or unauthorized unit size, each Institution reserves the right to cancel the order and purchase needed items (the same quantity as was ordered, and, if possible similar quality) from another source, and deduct any costs over and above Agreement prices incurred from purchasing from another source, from a subsequent invoice. Purchases outside of the Agreement identified in this paragraph shall not factor into the percentage identified in subsection 2.1.

When an Institution rejects items as described in the paragraph above, the Contractor must remove the rejected item within twenty-four (24) hours of being notified of the rejection. The Contractor may request that the Institution discard the rejected items.

Fresh fruit and vegetables shall be cool to the touch, reasonably uniform in color, free from foreign flavor and odor, clean and free from foreign material.

#### **2.4 Packaging for Fresh Produce**

Fresh produce shall have been picked and packaged for delivery in a fresh state free of soil and insects and cooled before packing. Packaging shall be in accordance with good commercial practice that protects the integrity of the fresh produce throughout the transportation channel. The Contractor must package fresh produce and use packing materials in compliance with United States Department of Agriculture (USDA) Food Safety and Inspection Service (FSIS) regulations.

Packaging shall:

- a) protect the taste, aroma, visual and other palatable properties measured by the senses and other quality characteristics of the item;
- b) protect the item against microbiological and other contamination;
- c) protect the item from dehydration and, where appropriate, leakage as far as technologically practical; and
- d) not pass on to the item any odor, taste, color or other foreign characteristics throughout the harvest and distribution of the item up to the time of receipt by Institutions.

#### **2.5 Packing Requirements**

The delivery containers that the Contractor uses to deliver fresh produce shall be free from any unsanitary condition caused by the presence of harmful microorganisms, chemical residues, or filth that could adulterate, cross contaminate or diminish the quality of the fresh produce.

Containers shall be constructed of recyclable materials wherever feasible and where shipment within the recyclable container does not diminish the quality of the fresh produce, i.e., bushels, lugs, crates, corrugated boxes or moisture-proof fiberboard. Packing materials shall protect the packed commodity from crushing or bruising. Containers shall be stackable and permit chilled and refrigerated air circulation.

Each shipping container shall be labeled legibly to show:

- a) Name of the item contained;
- b) Item number;
- c) Net weight;
- d) Name, address and date packed (month, day, year); and
- e) Best Used By/Expiration Date.

#### **2.6 Refrigeration/Climate Control**

Temperature for all fresh produce must be maintained, during both storage and transportation, at a suitable temperature to maintain freshness, quality, shelf life and nutritional value. Fresh produce

shall be transported in a climate-controlled container regulated to keep the item(s) in good condition, and in accordance with the current USDA guidelines and food handling practices during all stages of processing, distribution and storage.

## **2.7 Recall**

In the event of recall or finding of contaminants, the Contractor shall notify the Agencies within twenty-four (24) hours by phone and follow up within one (1) week with a written notice indicating:

- a) The reasons for the recall;
- b) The lot number and/or item number; and
- c) The level of urgency for removal of item.

The Contractor shall make provisions to have all recalled items removed within twenty-four (24) hours from the Agencies affected by a recall and provide remedy to each affected Agency which may include, but not be limited to, replacing item with equivalent value item or reimbursing the Agency by applying credit(s) to the Agency invoices. The Contractor may request that the Institution discard the recalled items.

## **2.8 Delivery Requirements**

Deliveries will be consistently scheduled to arrive at each Institution at a day and time mutually agreed upon by the Contractor and the Institution. Known delivery requirements for each Institution are listed in subsections 2.8.1 through 2.8.4; however, each Institution may make different delivery arrangements with the Contractor as needed.

When items are backordered, each Institution reserves the right to cancel the order and purchase needed items (the same quantity as was ordered, and, if possible, similar quality) from another source, and deduct any costs over and above Agreement prices incurred from purchasing from another source from a subsequent invoice. The determination of what constitutes similar quality shall be in the sole discretion of the Institution. Purchases outside of the Agreement identified in this paragraph shall not factor into the percentage identified in subsection 2.1.

### **2.8.1 State Hospital North Delivery Requirements**

Deliveries shall be made to the State Hospital North (SHN) kitchen at least two (2) times per week on a schedule agreed upon between the Contractor and SHN with no minimum drop requirement.

### **2.8.2 State Hospital South Delivery Requirements**

Deliveries for State Hospital South must be available five (5) days per week with no minimum drop requirement. Main delivery days will be Tuesday and Friday of each week. Deliveries shall be made to State Hospital South (SHS) to both the Patient Treatment Facility (PTF) kitchen and to the Canteen. Deliveries must be made by full-unopened case, unless a partial case is specified by the Institution. Delivery personnel may be required to place refrigerated items in kitchen walk-in or reach-in refrigerators as directed by Dietary staff.

### **2.8.3 Idaho Division of Veterans Services Delivery Requirements**

Deliveries for Idaho Division of Veterans Services (IDVS) Institutions must be available five (5) days per week with no minimum drop requirement. Main delivery days will be Tuesday and Friday of each week. If a holiday falls on either of the main delivery days, delivery must be made the day preceding the holiday. Deliveries must be made by full-unopened case, unless a partial case is specified by the Institution. Delivery personnel may be required to place refrigerated items in kitchen walk-in or reach-in refrigerators as directed by Dietary staff.

### **2.8.4 Idaho Department of Correction Delivery Requirements**

Delivery will be provided at a minimum of once per week to all Idaho Department of Correction (IDOC) Institutions. Institutions with a population of more than five hundred (500) will be provided with delivery two (2) times per week if requested by IDOC administration. The Contractor must identify mutually agreed upon delivery days and times (see subsection 2.8) to the IDOC Dietary Services Manager's office in writing. Changes or modifications in this schedule must be reported in writing to the IDOC Dietary Services Manager by the Contractor.

All deliveries to IDOC Institutions must be palletized, labeled with name of receiving location, and wrapped in clear wrap. Pallets must not exceed five (5) feet in height. The Contractor's delivery person(s) will be responsible for unloading items off the end of the truck, and the fresh produce must be accepted by IDOC staff, and not left unattended in the delivery area by the Contractor. The packing slip must be signed by both parties at the time of delivery. Any items that are missing from the order or damaged will be the responsibility of the Contractor and replaced within twenty-four (24) hours (within a fifty [50] mile radius of Boise) and within forty-eight (48) hours outside of that area. Any changes to the order, back orders or damaged items must be noted on delivery paperwork and signed and dated by Contractor and IDOC staff.

In the event of any Institution lock down caused by riot, power failure, disaster or security situation, that prevents food delivery, the Contractor will re-deliver within twenty-four (24) hours in the Boise area (within a fifty [50] mile radius of Boise), and within forty-eight (48) hours outside of that area, after clearance for delivery has been received by the Contractor from the Institution or Idaho Department of Correction administration. No additional charges will be billed for re-delivery due to a lock down.

The IDOC may request that some food items, due to the security risk they can pose, be secured in the delivery vehicle, invoiced separately, and be given directly to the Institution food services authority at the receiving Institutions. The Contractor must comply with these requests. See additional security requirements in Attachment D, Idaho Department of Correction Security Requirements.

The IDOC will safeguard and make available to the Contractor all Contractor-owned delivery containers and pallets weekly. Containers lost or damaged will be paid for by the IDOC, at the current replacement cost, upon receipt of billing from the Contractor.

## **2.9 Account Management**

Contractor will assign a primary and alternate customer services representative to each Agency account. These individuals must be identified to the State by the Contractor no later than the Start of Service Date of the Agreement. These representatives will meet with each Agency monthly for the first three (3) months of the Agreement and no less than quarterly thereafter, or as often as deemed necessary by each Agency. Each Agency will notify the Contractor of required frequency.

## **2.10 Ordering and Account Numbers**

The Contractor shall assign a separate account number to each Institution (see Attachment A). Additionally, each Institution may require separate account numbers for different functions within the Institution. The Contractor shall bill all purchases that are not under the Agreement utilizing a separate account number.

### **2.10.1 Idaho Department of Correction Ordering Requirements**

The IDOC prefers to place orders on-line. If on-line ordering is available, the Contractor shall provide each IDOC Institution listed on Attachment A with its own on-line account through which orders for that Institution shall be placed. Additionally, the IDOC requests that Contractor provide two (2) administrator accounts which will provide the IDOC the ability to review all orders placed and received by all Institutions.

The IDOC requires order acknowledgments which the Contractor must send via email to the ordering Institution upon receipt of the order. At a minimum, the acknowledgments shall include purchase order number, ship to and bill to information, estimated delivery date, and backorder information. The Contractor may allow standing orders if requested by the Institution; however, the Contractor must still provide the order acknowledgements. Any changes to a standing order will be made by the Institution via email no less than forty-eight (48) hours before the scheduled delivery.

The Contractor shall send shipping notifications to the ordering Institution via email upon shipment of the order. At a minimum, the notifications shall include the following information: purchase order number (unless ordered by credit card), ship to address, carrier (if any), tracking number (if any), estimated deliver date, description of items being shipped, and quantity of the items being shipped.

### **2.10.2 Idaho Division of Veterans Services Ordering Requirements**

Orders for each IDVS Institution will be placed with the Contractor on an as needed basis. Emergency orders will be phoned in to the Contractor.

### **2.10.3 State Hospital South Ordering Requirements**

Orders will be placed with the Contractor on an as needed basis. Emergency orders will be phoned into Contractor.

## **2.11 Invoicing**

The Contractor will provide an original invoice plus a minimum of one copy with each delivery. Invoices must, at a minimum, reflect: purchase order number, ship to address, description of item(s), price per line item, quantity ordered, quantity shipped, quantity backordered and invoice total. The Contractor shall send invoices to the contact and billing address listed for each Agency in Attachment A.

## **2.12 Payment Terms**

### **2.12.1 State Hospital South Payment Terms**

State Hospital South Canteen and Dietary departments will maintain separate accounts and payment systems. The Dietary department will make purchases with a credit card. A credit card handling fee will not be assessed on State Hospital South transactions. Any credits due from the Contractor will be posted to the credit card account. The Canteen will maintain a charge account with a net 30 day payment term. The Contractor will provide a hard copy credit memo for each credit due.

### **2.12.2 Idaho Department of Correction Payment Terms**

The IDOC requests that the Contractor only accept IDOC issued purchase orders, and not accept purchase card (p-card) orders.

### **2.12.3 Idaho Division of Veterans Services Payment Terms**

The three ISVS Institutions will maintain separate charge accounts and payment systems with a net 30 day payment term. The Contractor will provide a hard copy credit memo for each credit due to the individual Veterans home.

### **2.13 Price Adjustments**

All prices bid on the Bid Schedule must be firm for the remainder of the month in which the initial term of the Agreement begins (beginning with the Start of Service Date of the Agreement)\*. If there are less than fifteen (15) calendar days remaining in that month, then the prices bid must be firm for the remainder of that month and for the following month. Thereafter, prices may be adjusted by the Contractor on a weekly basis. However, the Mark Up percent (see Attachment B Bid Schedule) shall remain firm throughout the term of the Agreement.

\* The bid prices that shall go into effect upon the State of Service Date for the initial term of the Agreement shall be the Unit Price Per Our Stated Unit of Measure for the Period of the Week of May 1, 2013 times the Mark Up.

Certain items do not fluctuate as much as others, such as potatoes, onions and apples, and the Bidder is requested to bid longer price guarantees. Bidders must identify any items that can be bid with quarterly, semi-annual or annual guaranteed prices and so indicate on the Bid Schedule. If the Bidder enters quarterly, semi-annual or annual guaranteed price, then the price bid shall go into effect upon the Start of Service Date of the Agreement (for the Bidder to whom the Agreement is awarded) and shall remain in effect for the time period enter in the column labeled "Longer Price Guarantee" on the Bid Schedule. For items added to the Agreement by Institutions during the Agreement's term (see subsection 2.1), the Contractor must identify whether or not it offer a longer price guarantee for those items, and must identify the period for which the price will be held.

If the Contractor's contract with a supplier contains a force majeure clause, and the supplier invokes that clause, the Contractor shall notify the Division of Purchasing, and the Agency affected, in writing (email, at a minimum), and must keep the prices for each affected item as-is for not less than seven (7) calendar days after providing the written notification. The Contractor shall also identify substitute items to each Agency and request Agency approval of the substitute as soon as possible.

Prices for other fresh produce items that Institutions add to the Agreement must be firm for the remainder of the month in which the items are added to the Agreement. Thereafter, these prices may be adjusted by the Contractor on a weekly basis.

It shall be the Contractor's responsibility to prove to the State, to the State's satisfaction, that a change requiring an upward price adjustment has taken place; however, understanding the frequency of price changes (as often as weekly), the Contractor shall only be required to provide this proof upon request by the State. The State may set forth a format for providing such proof, and the Contractor must comply with that format. The Contractor shall notify both the Division of Purchasing and the Institution (and the Agency, at the Agency's discretion) in writing of price changes for each item on the Agreement.

### **2.13.1 Rights of Institutions for Upwardly Adjusted Prices**

If the Contractor upwardly adjusts the price for any item for four (4) consecutive weeks (or, for more than six (6) weeks in a three (3) month period), Institutions reserve the right to purchase the item from another source as long as the other source's price is less than the price of the item on the Agreement. The Institution can continue to purchase the item from another source until such time as the price of the item on the Agreement is less than the price of the item purchased from the other source. Purchases outside of the Agreement identified in subsection 2.13.1 shall not factor into the percentage identified in subsection 2.1.

**2.13.1.1** Institutions shall follow the following procedure in order to purchase from an outside source in accordance with subsection 2.13.1:

**2.13.1.1.1** The Institution must contact the Division of Purchasing, and substantiate in writing that the price for the item has been upwardly adjusted as identified in subsection 2.13.1.

**2.13.1.1.2** The Institution must also substantiate in writing to the Division of Purchasing that there is an equivalent item available from another source that has a lower price than the item on the Agreement.

**2.13.1.1.3** The Institution must provide a written monthly report to the Division of Purchasing demonstrating that the item available from another source remains at a lower price than the item on the Agreement. Otherwise, the item must be purchased under the Agreement.

### **2.14 Order Fill Rate**

For all items purchased under the Agreement, the fill rate must remain at ninety-eight percent (98%) or above for total items ordered per quarter (per individual account). Substitutions must be pre-approved by each Agency (the Agency may allow each of its Institutions to approve substitutions, and will identify this to the Contractor in writing). The following shall count against the fill rate:

- a) Items ordered but not delivered;
- b) Refused items (e.g., damaged or spoiled items) (Items may be rejected upon delivery, but may also be rejected after containers or cases are opened and damage or spoilage is discovered at a later time.); or
- c) Items substituted without prior approval by the Agency (or Institution)

If the fill rate falls below ninety-eight percent (98%) (per individual account, per quarter), the Contractor will provide to the Institution a two percent (2%) rebate of the total dollar amount ordered for the quarter by that Institution, and shall provide the rebate no later than forty-five (45) calendar days after the close of each quarter.

#### **2.14.1 Fill Rate Report**

The Contractor shall report quarterly fill rate information (per individual account) to the Division of Purchasing contact (see subsection 1.6) which shall include the following:

- a) Number of orders received by the Contractor;
- b) Number of orders delivered by the Contractor;
- c) Items ordered but not delivered, including item name, item description, item order number, and quantity;
- d) Refused items, including item name, item description, item order number, and quantity; and

- e) Items substituted without prior approval by the Agency (or Institution), including item name, item description, item order number, and quantity.

This report must be provided electronically, and Excel format is acceptable. The quarterly due dates for this report are the same as those for the report specified in subsection 3.7.

### **2.15 IDJC Produce Purchasing Practices and Needs**

Please see Attachment G (Idaho Department of Juvenile Corrections, Narrative on Fresh Produce Purchasing Practices and Needs) for information regarding that Agency's produce purchasing practices and needs.

## **3 SPECIAL CONTRACT TERMS AND CONDITIONS - STATEWIDE**

### **3.1 Public Agency Clause**

Agreement prices shall be extended to other "Public agencies" as defined in Section #67-2327 of the Idaho Code, which reads as follows:

67-2327. DEFINITIONS. "Public agency" means any city or political subdivision of this state, including, but not limited to counties; school districts; highway districts; and port authorities; instrumentalities of counties, cities or any political subdivision created under the laws of the state of Idaho; any agency of the state government; and any city or political subdivision of another state.

"State" means a state of the United States and the District of Columbia.

It will be the responsibility of the Public Agency to independently contract with the Contractor and/or comply with any other applicable provisions of Idaho Code governing public contracts.

### **3.2 Potential Utilization by Idaho School Districts**

While there is no requirement for Public Agencies to utilize a state of Idaho statewide contract, Idaho School Districts may choose to utilize the Agreement under subsection 3.1, Public Agency Clause. Attachment C School Districts contains the name of the school district, the regional classification, and a map of the location of Idaho School Districts. The school regions align with the State's Area map found in Attachment F in that school regions I and II are located in Area A, school regions III and IV are in Area B and school regions V and VI are in Area C. The estimated annual volume of meals for all Idaho School Districts is 45,293,289. If the School Districts choose to utilize this Agreement, the Contractor must guarantee in writing to those School Districts that all produce provided to them under the Agreement is grown and distributed in the USA meets federal School Lunch regulations.

The tab on Attachment B Bid Schedule titled School Districts provides a place for Bidders to indicate those School Districts that the Bidder is capable and willing to provide delivery.

### **3.3 Records Maintenance**

The Contractor shall maintain or supervise the maintenance of all records necessary to properly account for all payments made to the Contractor for the costs authorized by the Agreement. These records shall be retained by the Contractor for at least three (3) years after the Agreement terminates, or until all audits initiated within the three (3) years have been completed, whichever is later.

### **3.4 Audit Rights**

The Contractor agrees to allow State and Federal auditors and Agency staff access to all the records relating to the Agreement, for the purpose of audit, inspection, examination, exceptions and transcriptions. Such access will be during normal business hours or by appointment.

### 3.4.1 Right to Require Supplier Invoices

No more frequently than once annually, each Agency reserves the right to require the Contractor to deliver copies of supplier invoices to the Agency for the purpose of audit. The Bidder may redact certain information from the supplier invoices, but the invoices must show, at a minimum: supplier name and address; supplier's unit price; date of invoice; item and freight nomenclature. As an alternative to providing copies of supplier invoices to the Agency, the Contractor may make arrangements with the Agency to bring copies of supplier invoices to the Agency, be present during the audit of the invoices, and then, at the conclusion of the audit, the Contractor may keep the copies of the supplier invoices.

**3.4.1.1** The Agency reserves the right to require the supplier invoices (as identified in subsection 3.4.1) for each item it has ordered in the preceding six (6) months, but this shall be limited to no more than three (3) weeks' worth of supplier invoices per item.

**3.4.1.2** The Agency shall submit a written request to the Contractor, and identify the items and the weeks for which it wishes to review supplier invoices, and the Contractor must deliver the invoices to the Agency no later than one (1) month after the written request is received by the Contractor.

**3.4.1.3** If the Agency requires review of supplier invoices in greater quantity than identified in subsection 3.4.1.1, or requires review of older supplier invoices, then it must audit those invoices at the Contractor's place of business where the supplier invoices are located, unless that place of business is located outside of the state of Idaho. If that place of business is located outside of the state of Idaho, then the Contractor must deliver the supplier invoices to the Agency even if in greater quantity than or older than identified in subsection 3.4.1.1.

**3.4.1.4** In addition to the rights above, the Agencies may audit supplier invoices at the Contractor's place of business once annually. The Agency shall provide the Contractor one (1) month's notice identifying the items and the weeks for which it wishes to review supplier invoices.

**3.4.1.5** The Division of Purchasing shall have the right to audit supplier invoices at the Contractor's place of business as frequently as is deemed necessary in the sole judgment of the Idaho Division of Purchasing. The Division of Purchasing shall provide the Contractor one (1) month's notice identifying the items and the weeks for which it wishes to review supplier invoices.

### 3.5 Administrative Fee

The prices to be paid by the Agency (the price BID by Contractor) shall be inclusive of a one and one-quarter percent (1.25%) Administrative Fee. This additional percentage represents the Agency's contract usage administrative fee. On a quarterly basis, Contractor will remit to **State of Idaho, Attn: Division of Purchasing, PO Box 83720, Boise, Idaho 83720-0075** an amount equal to one and one-quarter percent (1.25%) of Contractor's net (sales minus credits) quarterly Agreement sales.

**For Example:** *If the total of your net sales to the Agency for one quarter = \$10,000, you would remit  $\$10,000 \times 0.0125 = \$125$  to the Division of Purchasing for that quarter, along with the required quarterly usage report.*

### 3.6 Quarterly Usage Report

Contractor will furnish detailed usage reports as designated by the State. In ADDITION to any required detailed usage reports, Contractor must also submit a summary quarterly report of purchases made from the Agreement utilizing the **SBPO SUMMARY USAGE REPORT FORM** available for download at: <http://purchasing.idaho.gov/forms.html>. A Summary Usage Report Form must be

submitted for each quarter (enter "0" if no purchases were made during a quarter), and must include a breakdown of purchases by Entity Type (i.e. State Agency, Higher Education, K-12, City, County and 'other'), as provided on the Form. This Summary Usage Report Form does not take the place of the detailed usage report that the Bidder is also required to submit on a quarterly basis.

### 3.7 Submission of Administrative Fee and Quarterly Usage Reports

<b>Reporting Time Line (Fiscal Year Quarters):</b>		<b>Fee and Report Due:</b>
1st Quarter	July 1 - Sept 30	October 31st
2nd Quarter	Oct 1 - Dec 31	January 31st
3rd Quarter	Jan 1 - Mar 31	April 30th
4th Quarter	Apr 1 - Jun 30	July 31st

E-mail your completed Quarterly Summary Usage Reports to [purchasing@adm.idaho.gov](mailto:purchasing@adm.idaho.gov).

Mail your check, in the amount of the Quarterly Administrative Fee, to: **State of Idaho, Attn: Division of Purchasing, PO Box 83720, Boise, Idaho 83720-0075.**

Failure to submit the required report or timely remit the Administrative Fee may be cause for disqualification of Contractor for future contracts, or other action by the State.

### 3.8 Quarterly Detailed Sales Report

The Contractor shall provide to the Division of Purchasing a quarterly detailed sales report. The quarterly due dates for this report are the same as those for the report specified in subsection 3.7. The report shall be provided in Microsoft Excel, must be separated by Institution, and must include the following information:

#### 3.8.1 Item Information

Each item delivered to each Institution for the quarter, including a complete description of each item, and the total quantity of each item delivered to each Institution for the quarter.

#### 3.8.2 Supplier Invoice Unit Price

The supplier invoice unit price for each item (the specific price for each week of the quarter must be identified).

#### 3.8.3 Marked Up Unit Price

The unit price of the item, as marked up with the Mark Up percentage from the Bid Schedule, and any additional percent effects added on to the prices for Special Services and for delivery to School Districts (see Attachment B Bid Schedule) (the specific price for each week of the quarter must be identified).

#### 3.8.4 Total Amount

The total amount (dollar amount) for each item for the quarter.

### 3.9 Other Reports

Additional related sales information, such as monthly reports, and/or other detailed user purchase reports may be required and must be supplied upon request. Contractor may be required to submit reports electronically, in a format designated by the State.

Failure to submit the required reports may be cause for disqualification of Contractor for future contracts, or other action by the State.