



**State of Idaho Contract Number SBPO20268736
Amendment No. 2**

Parties

Agency	Contractor
Department of Administration 650 W. State St. Boise, ID 83702	Grasmick Produce Co Inc. 215 E. 42 nd Street Boise, ID 83714

Contract Summary

Contract Name: Fresh Produce-North & East Regions Contract Description: Fresh Produce Available to State Agencies & Political Subdivisions Through a Statewide Contract Within the North & East Regions of Idaho Original Effective Date: January 1, 2026 Current Expiration Date: December 31, 2026	Current Contract Value: \$1,000,000.00 Estimated Lifetime Value: \$5,000,000.00 Contract Usage Type: Open
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Agency Contacts

Contact Name	Contact Type	Contact Email
DOP Contract Administration	Contract Administrator	contractadmin@adm.idaho.gov

Contractor Contacts

Contact Name	Contact Phone	Contact Email
Angela Reed	(208) 376-3981	Angela@grasmickproduce.com

Recitals

1. The Parties entered into a Contract (SBPO20268736) for Fresh Produce-North & East Regions for the State of Idaho, effective January 1, 2026.
2. Amendment No. 1 amended the Original Effective Date and Current Expiration Date.
3. With this Amendment No. 2, The Parties desire to update Scope of Work, as further detailed below.

Agreement

Based on the above recitals, and good and valuable consideration, the receipt of which is hereby acknowledged, the Contract is amended as follows:

1. Attachment 2, Scope of Work, of the Contract is modified and replaced in full, with the document included below titled "Attachment 2 Scope of Work (Amendment 2)". All modifications are in red and labeled as "(AMD 2)".
2. Except as expressly modified in this Amendment, all other terms and conditions of the Contract remain in full force and effect.
3. This Amendment is effective upon the date of the last signature below. In no event will this Amendment be effective until executed by the Department of Administration.

Department of Administration

Signature: Shawnee Hunt

Name: Shawnee Hunt

Title: Contract Administrator

Date: 01/02/2026

Grasmick Produce Co Inc.

Signature: Angela Reed

Name: Angela Reed

Title: President

Date: 1-1-26

Attachment 2

Scope of Work (Amendment 2)

1. Summary of Scope

The Contractor must supply fresh produce through a statewide contract for use by state agencies and political subdivisions, including specialized requirements for certain agencies (e.g., IDOC, IDJC, DHW, IDVS). The Contractor must make the contract available to all eligible State of Idaho entities, including state agencies, political subdivisions, and other authorized public entities as defined in Idaho Statute § 67-5717.

2. Objectives and Expectations

The Contractor must meet the following objectives:

- 2.1 **Reliable Supply:** The Contractor must ensure a reliable, high-quality supply of fresh produce meeting USDA standards for IDJC (aligned with National School Lunch Program requirements, see Attachment 4), dietary needs for State Hospitals, and IDVS preferences.
- 2.2 **Cost-Effectiveness:** The Contractor must provide competitive pricing through fully burdened unit prices, with flexibility for ~~quarterly~~ (AMD 2) weekly adjustments by 5pm every Friday to reflect market conditions, while maintaining transparency via supplier invoice audits as requested by the State. The State reserves the right to review and approve pricing for non-bid items to ensure compliance with the contract. This amendment approves all non-bid items not included in Attachment 8 Pricing of the Contract.
- 2.3 **Timely Delivery:** Guarantee delivery schedules tailored to agency needs, including accommodations for emergency orders and lockdown re-deliveries.
- 2.4 **Food Safety and Quality:** The Contractor must maintain strict compliance with USDA FSIS, HACCP, and cold chain standards for all produce, ensuring freshness, freedom from contaminants, and institutional quality thresholds.
- 2.5 **Security Compliance:** The Contractor must adhere to stringent security protocols for corrections facilities (Attachment 3), including tamper-proof packaging, background-checked personnel, and rapid response to rejections or recalls.
- 2.6 **Nutritional Standards:** The Contractor must support IDJC's USDA school nutrition requirements and State Hospitals' dietary needs (e.g., low-sodium options).

3. Schedule & Term Expectations

The initial term is one (1) year. Upon mutual, written agreement, the Contract may be renewed, extended, or amended. The anticipated total Contract term is five (5) years.

4. General Requirements

The Contractor must meet the following minimum mandatory specifications:

- 4.1. The Contractor must demonstrate proven experience (minimum 5 years) with large-scale produce distribution to governmental or institutional clients, including corrections facilities and hospitals.
- 4.2. The Contractor must have the capacity to supply approximately 496,555 units annually (estimated; no minimum volume guaranteed) and deliver to all facilities within the awarded region(s) (North, South, and/or East, per Attachment 6).
- 4.3. The Contractor must adapt to evolving needs, including new items or facilities added by institutions, without minimum order mandates.

5. Agency Specific Requirements

The Contractor must comply with the following agency-specific considerations:

- 5.1. **Correctional Facilities (IDOC/IDJC):** The Contractor must provide large volumes for IDOC and diverse produce for IDJC to meet USDA subtype minimums (e.g., dark green vegetables, per Attachment 4), considering limited storage at IDJC. Deliveries must include palletized, labeled, tamper-proof packaging compliant with security protocols (Attachment 3).
- 5.2. **State Hospitals (DHW):** The Contractor must ensure rapid, reliable deliveries with cold chain integrity, placing full-case deliveries in designated refrigerators. The Contractor must accommodate special dietary needs (e.g., low-sodium) and fluctuating patient censuses.
- 5.3. **Statewide Logistics for All Agencies:** The Contractor must maintain robust warehouse and fleet capabilities, with uniform pricing across zones except for approved special services (e.g., expedited deliveries, unique packaging).

6. Operational Requirements

The Contractor must comply with the following provisions, which take precedence in the event of conflict with the State's Standard Terms and Conditions or other 1TB requirements:

6.1. Delivery

The Contractor must coordinate with agencies within the awarded region(s) (North, South, East) within thirty (30) days of contract award to finalize packaging sizes, delivery schedules, and frequencies. Deliveries must occur within two (2) days after receipt of order (ARO) unless specified otherwise by agencies, using refrigerated transport compliant with USDA FSIS cold chain standards. Minimum delivery frequencies include:

- 6.1.1. **IDOC:** Minimum once-weekly for all facilities; twice-weekly for facilities with over 500 inmates (e.g., ISCC, ISCI, SICI, ICIO, IMSI, per Attachment 5) if requested.
- 6.1.2. **IDJC:** Minimum twice-weekly to Juvenile Corrections Centers (e.g., St. Anthony, Lewiston, Nampa, per Attachment 5), aligned with NSLP/SBP requirements.
- 6.1.3. **DHW:** At least twice-weekly for State Hospital North; five (5) days per week for State Hospital South (primary days Tuesday/Friday, with holiday adjustments); minimum twice-weekly for Southwest Idaho Treatment Center.
- 6.1.4. **IDVS:** Five (5) days per week for Lewiston, Post Falls, and Pocatello Veterans Homes (primary days Tuesday/Friday, with holiday adjustments); bi-weekly for Boise Veterans Home.
- 6.1.5. **Other Eligible Entities:** Minimum once-weekly unless otherwise specified in the purchase order.

For IDOC and IDJC, the Contractor must provide re-delivery within twenty-four to forty-eight (24-48) hours post-lockdown at no extra cost. Failure to meet schedules may result in penalties or termination, as assessed during quarterly reviews.

6.2. Packaging and Labeling

The Contractor must ensure all bulk-packaged and processed produce is labeled on each shipping container with the item name, number, net weight, Contractor/supplier name and address, pack date, and best used by/expiration date. For IDOC/IDJC, packaging must be tamper-proof (per Attachment 3). Labels must be legible, secure, and resistant to environmental conditions. The Contractor must confirm packaging sizes with agencies within thirty (30) days of award. Non-compliant packaging may result in rejection at the Contractor's expense, with replacements or credits within twenty-four (24) hours (Boise area) or forty-eight (48 hours) (elsewhere).

6.3. Quality and Food Safety

The Contractor must maintain a ninety-five percent {95%} minimum fill rate per quarter per account, with

produce compliant with USDA FSIS, HACCP, and cold chain standards. The State will inspect and accept produce within twenty-four (24) hours (general), five (5) days (slow-degrading), or one (1) day pre-expiration (bagged items), notifying the Contractor of rejections immediately. In the event of non-compliance:

- 6.3.1. The Contractor must replace non-compliant produce at no cost within twenty-four to forty-eight (24-48) hours.
- 6.3.2. The Contractor must submit a corrective action plan within five (5) business days.
- 6.3.3. For repeated instances (two or more in 30 days), the State may impose invoice reductions up to five percent (5%) of the affected delivery's value.
- 6.3.4. Persistent non-compliance may result in termination.

All remedial costs must be borne by the Contractor. These remedies are specific to food safety and quality but align with standard contract remedies.

6.4. Security

The Contractor must comply with security protocols for IDOC/IDJC facilities, including background checks, fingerprinting, drug-free policies, and vehicle searches for personnel (per Attachment 3). Training on these protocols, if required, must be provided at no additional cost, included in fully burdened prices.

6.5. Price Adjustments

After the initial thirty (30) days, the Contractor may request quarterly price adjustments based on USDA AMS Fresh Fruit and Vegetable Market News (or equivalent). Cumulative increases per item must not exceed 5% annually of the original bid price unless approved by DOP, considering factors like tariffs or inflation. Requests must include documentation. DOP must review within seven (7) business days. Price decreases must be passed on within fourteen (14) business days. For IDJC, adjustments must comply with 7 CFR § 210.21, using the same process as other agencies. Non-compliance may result in invoice reductions or termination.

If increases exceed the cap or affect fill rates, agencies may source externally with DOP approval, providing written notification and market quotes. External sourcing must be temporary, with Contractor cooperation required.

6.6. Post-Award Catalog Submission

The Contractor must submit a comprehensive catalog of all available fresh produce items, including pricing, within thirty (30) days of award. Pricing for non-bid items must comply with 1TB terms and are subject to State approval.

6.7. Reporting and Monitoring

The State reserves the right to conduct quarterly performance reviews assessing fill rates, delivery timeliness, and quality standards using Contractor reports. The Contractor must submit reports via email to: purchasing@adm.idaho.gov

6.7.1. Monthly usage reports by region (product, quantity, delivery date) to DOP within ten (10) business days following the end of the reporting month.

6.7.1.1. Example: Reporting month ends Tuesday, March 31, 2026 = reports due by Tuesday, April 14, 2026;

6.7.2. Quarterly fill rate reports to DOP and agencies within ten (10) business days, including total orders received/delivered, non-deliveries/substitutions, and reasons (e.g., item name, order number, quantity ordered/delivered, reason for non-delivery).

- 6.7.2.1. Reporting months:
Q1: Jan-Mar Q2: Apr-Jun Q3: Jul-Sep Q4: Oct-Dec

Reports Due Within ten (10) business days of following month: April July October January

6.8. Compliance with Laws and Regulations

The Contractor must comply with USDA FSIS, HACCP, Idaho Code Title 67 Chapter 92, IDOC security (Attachment 3), and Buy American for IDJC (NSLP/SBP, per 7 CFR 210.21(d)(5) and Buy American Accommodation Process; non-domestic limited to 10% of expenditures, with exceptions if unavailable/cost-prohibitive).

6.9. Records Maintenance and Audit Rights

The Contractor must maintain all payment and performance records for three (3) years post-termination or until audits are complete. The Contractor must allow State/Federal auditors and purchasing staff access during normal hours, acknowledging requests within forty-eight (48) hours and providing records within ten (10) business days (or sooner for urgent audits). Non-compliance may result in invoice reductions.

6.10. Website/Ordering Requirements

If providing a website for orders, any terms waiving sovereign immunity, subjecting the State to other jurisdictions, limiting claim times below Idaho law, imposing unfavorable payments (per Idaho Code § 67-2302), or requiring indemnification (per Idaho Code §§ 67-9215, 59-1016) are void. Click-through terms contradicting this contract are not binding. Third-party websites must comply.

6.11. Use of State Purchasing Card

Use of State Purchasing Cards (P-Cards) is prohibited with the resulting contract.

6.12. Subcontractors

The Contractor must ensure any subcontractors comply with all contract requirements, including security and quality standards.

7. Additional Requirements

Upon contract award, the selected Contractor(s) must submit a comprehensive catalog of all fresh produce items available for purchase under this contract within thirty (30) days of contract award, including associated pricing. The pricing for items not listed in Submittal Form B must adhere to the terms and conditions, including price adjustment mechanisms, outlined in this 1TB. The State reserves the right to review and approve pricing for non-bid items to ensure compliance with the contract.

8. Invoicing

All invoices must be sent to the Agency in which the Property was Provided. The Contract number must be listed on all invoices. Unless otherwise directed, invoices must not be sent to the Division of Purchasing.

The Contractor must provide a minimum of one invoice with each delivery. Each invoice must contain, at a minimum:

- 8.1 Delivery Driver's Name
- 8.2 Purchase Order Number
- 8.3 Ship to Address
- 8.4 Product Description
- 8.5 Price per Line
- 8.6 Quantity Ordered
- 8.7 Quantity Shipped

8.8 Quantity Backordered

8.9 Invoice Total Cost