



# MONTANA COOPERATIVE SERVICES, LLC

## REQUEST FOR PROPOSAL (RFP) (THIS IS NOT AN ORDER OR CONTRACT)

<b>RFP Number: MCS#16-01 ADDENDUM #1</b>	<b>RFP Title: <u>Food Product Supplier</u></b>	
<b>RFP Response Due Date/Time: May 27, 2016 2:00 p.m. Helena, Montana Local Time</b>	<b>Total Number of Pages in Addendum: 7</b>	<b>Addendum Issue Date: May 13, 2016</b>

### ISSUING AGENCY INFORMATION

<b>Procurement Officer: Thomas M. Gustin</b>	<b>Montana Cooperative Services, LLC PO Box 1612 Helena, MT 59624-1612 Phone: (406) 443-2629 Fax: (406) 449-0985</b>
<b>Website: <a href="http://mrea-mt.org/mcs/">http://mrea-mt.org/mcs/</a></b>	

### INSTRUCTIONS TO OFFERORS

<b>Return Sealed Proposal to:</b> Montana Cooperative Services, LLC c/o Thomas M. Gustin 517 State Street Helena, MT 59601-4335	<b>Mark Face of Envelope/Package:</b>  <b>RFP Number: MCS#16-01</b> <b>RFP Response Due Date: May 27, 2016</b>
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### OFFERORS MUST COMPLETE THE FOLLOWING

<b>Offeror Name/Address:</b>	<hr/> <b>(Name/Title)</b> <b>I acknowledge receipt of Addendum #1.</b> <hr/> <b>(Signature)</b>
<b>Special Instructions:</b> The Offeror for this solicitation must acknowledge receipt of this Addendum. This page must be submitted at the time set for the proposal opening or the proposal may be disqualified from further consideration.	Print name and title and sign in ink. By submitting a response to this RFP, offeror acknowledges it understands and will comply with the RFP specifications and requirements.
<b>Type of Entity (e.g., corporation, LLC, etc.)</b>	<b>Offeror Phone Number:</b>
<b>Offeror E-mail Address:</b>	<b>Offeror FAX Number:</b>

### OFFERORS MUST RETURN THIS COVER SHEET WITH RFP RESPONSE

A. To All Offerors:

The following are the questions received in response to this RFP. These questions, along with MCS's response, will become an official amendment to this RFP.

1. If a proposal is found nonresponsive will a detailed explanation be supplied as to why the offer was found nonresponsive?

**Response**

**In the event of a nonresponsive determination, the explanation will include reasons and reference to the applicable RFP section(s). No change as stated in the RFP.**

2. Can the vendor educate schools that don't participate in the Mt Coop?

**Response**

**The question pertains to activities that are outside the scope of services stated in the RFP. This RFP applies to participating MCS schools listed in Appendix "D", and additional schools that may be added to the contract and/or subsequent contract renewal(s). No change as stated in the RFP.**

3. Is a pricing tier per category acceptable in place of the fixed fee?

**Response**

**Section 3.2.3 defines the Contractor Fixed Fee as a "consistent dollar amount" established for each Market Basket item and for each Non-Market Basket category. The Fixed Fee price is required, and the price may vary by Market Basket item and by Non-Market Basket category. Pricing tiers per category will not be an acceptable substitute to the Fixed Fee requirements stated in the RFP. Offerors may submit alternate pricing, but such pricing will only be considered from the highest scoring offeror in the contract refinement process. No change as stated in the RFP.**

4. Would it be acceptable to suggest a Customer Service Representative (CSR) for the following responsibilities below in **Sub Section 3.3.1 Account Representatives**?

9) The CAE will coordinate all direct order entry processes and daily checking of orders.

10) The CAE will coordinate or conduct daily communications with the FSD to discuss any shortages and needed substitutions.

11) The CAE will coordinate credits and returns of any deficient or mis-shipped items.

18) The CAE will coordinate research for small equipment needs.

19) The CAE will coordinate all special orders, drop shipment, or proprietary orders.

By doing so it allows the CAE to concentrate more in depth on your other requests, and these are the typical job functions of a CSR.

**Response**

**Evaluation and scoring will be based on the offeror's ability, as stated in the proposal response, to meet or exceed the mandatory Account Representatives requirements stated in Section 3.3.1. No change as stated in the RFP.**

**5. Sub Section 3.3.1 Account Representatives**

12) The CAE will coordinate or conduct the replacement of critical items that are short on day of delivery by purchasing from other sources and delivering to the Schools. Product will not be purchased from other sources and delivered. In the event a critical item is shorted to the Schools:

- a. An off day will be scheduled after the critical item has been received from the contractor.
- b. If the off day won't suffice the Schools can purchase from the store, issue the receipt to us, and be refunded the difference in cost.

**Response**

**Evaluation and scoring will be based on the offeror's ability, as stated in the proposal response, to meet or exceed the mandatory Account Representatives requirements stated in Section 3.3.1. No change as stated in the RFP.**

**6. The Sub Section 3.3.1 Account Representatives**

- c) Outside Sales Representation

The Sub Section adds unnecessary costs to the vendor for approximately \$36,000/year to conduct weekly onsite visits. The addition of a CSR would cover the need of an Outside Sales Representative via phone.

**Response:**

**The requirement for a contractor's sales associate to conduct a minimum of one onsite visit per week is a mandatory requirement, subject to a Pass/Fail determination, as stated in Section 3.3.1 c). No change as stated in the RFP.**

**7. Sub Section 3.3.6 Food and Equipment Shows**

- a. The offeror would be willing to participate in the Annual "Montana School Food Service Conference" and "Montana Conference of Education" with schedules allowing.
- b. The offeror offers two Trade Shows in Missoula and Billings a year for the Schools to attend. Trade shows outside of that will not be offered, and would add unnecessary cost.
- c. The offeror will help in obtaining the cooperation of the brokers for School hosted food show or fairs, but will not be involved in the assistance of coordinating the event.

**Response:**

**Evaluation and scoring will be based on the offeror's ability, as stated in the proposal response, to meet or exceed the Food and Equipment Shows requirements stated in Section 3.3.6. No change as stated in the RFP.**

8. **Sub Section 3.3.9 Equipment** is provided/installed/removed/maintained/serviced by vendor/manufacturers according to brand with the understanding that their product will be purchased for use of the equipment.
- a. Vendors aren't able to control when an emergency service call is scheduled after notification.

**Response**

**Section 3.3.9 states the mandatory requirement that it is the responsibility of the contractor to supply, install, provide set-up/maintenance and perform service, on the contractor-provided equipment, within 24 hours of after notification and in a manner that limits equipment downtimes and customer inconvenience. No change as stated in the RFP.**

- b. Loss or damage to equipment is the responsibility of the schools.

**Response**

**Section 3.3.9, e) states that all loss or damage, to the contractor-provided dispensing equipment, shall be the sole responsibility of the contractor, regardless of how the loss or damage shall occur, and that the schools shall assume no responsibility for any damage to the dispensing equipment owned by the contractor. No change as stated in the RFP.**

9. **Sub Section 3.4.3 Printed Item Catalog**

- c) With direct order entry systems, the need for hard copies has been reduced; however, the contractor shall deliver new Item Catalogs to the Schools' cost changes have been updated on a weekly basis.

The Sub Section adds unnecessary costs of approximately \$1000/week to print and mail for a total of \$52,000/year. A catalog can be printed by the schools weekly if needed from our direct order entry system.

**Response**

**Section 3.4.3 states the mandatory requirement that the Item Catalog will be printed by and furnished by the contractor. No change as stated in the RFP.**

10. **Sub Section 3.5.2 Offer Order System.**

- a) Direct Order Entry

Our direct order entry system is easy to use and easy to access from computers, iPads, iPhones, and Smart Phones. It won't be necessary to share or cover the costs of upgrading computers, and it's outside the scoop of our usual business.

**Response**

**The offeror shall indicate the order system functionality in the proposal response to Section 3.5.2, and the ability to meet the stated requirements. No change as stated in the RFP.**

11. **Sub Section 3.5.2 Offer Order System** The offeror's direct order system doesn't offer the following:

- 3) System must maintain customized order guides specific for each operation. Schools will need to maintain any custom order guides they create on the direct ordering system.
- 13) System must have the ability to search by manufacture and display manufacture codes.

18) The System must have the ability to set or change the delivery date as needed within a seven-day period for each account.

Schools will be able to place orders with future dates for their regular delivery day.

21) The System must display orders that have been placed by the contractor's buyers, delivery timeframe to the warehouse, and quantity. The Schools Food Service Directors will need to be able to access this information.

A report can be set up to run as frequently as needed that would reflect the requirements above and emailed to the Schools.

22) The System must have the ability to track compliance by individual School account and by total Schools usage for MCS/Schools reporting purposes.

A monthly report can be set up and sent to MCS/Schools.

23) The System must have the ability to track compliance by individual School account and by total MCS usage when a marketing or volume incentive program is used.

A monthly report can be set up and sent to MCS/Schools.

### **Response**

**The offeror shall indicate the order system functionality in the proposal response to Section 3.5.2, and the ability to meet the stated requirements. No change as stated in the RFP.**

### **12. Sub Section 3.5.2 Offer Order System**

16) The system must allow the Schools to input orders until 5:00 p.m. the day before the orders are to be delivered

Contradicts **Sub Section 3.5.3 Ordering Procedures.**

a) Order Deadlines

Agreed an order deadline needs to be placed, but

- a. Orders will need to be placed by the order deadline.
- b. The CSR will check for orders and contact Schools if an order isn't placed an hour before order deadline.
- c. Once an order is submitted by direct order enter it can only be edited by the CAE or CSR.
- d. All orders should be edited before order deadline.

### **Response**

**Section 3.5.3, a) refers to the 5:00 p.m. ordering deadline stated in Section 3.5.2, b), 16). If there is a contradiction between the ordering deadlines of the offeror's system and the ordering deadlines stated in Section 3.5, include a proposed solution in the offeror's response to Section 3.5.3. No change as stated in the RFP.**

### **13. Sub Section 3. 6.1 Delivery Directly to Each Individual Participating School Location.**

How often are Schools added? What is the lead time for setting up new Schools and delivering to them?

## **Response**

Pursuant to Section 3.6.1, additional schools may be added, in writing via contract amendment, in the contract refinement process and/or at the time of subsequent contract renewal(s), prior to the initial scheduled fall school year order, allowing sufficient time for account set-up and training. Section 3.6.1 amended to read:

**3.6.1 Delivery Directly to Each Individual Participating School Location. (Mandatory Requirement – Pass/Fail).** Delivery must be made directly to each of the individual participating MCS Schools' delivery locations listed in Appendix D, and based on the designated delivery requirements of each location. In the event of new or additional School participation, the contractor will be notified in writing of the new facilities/locations to be added, via contract amendment, in the contract refinement process and/or at the time of subsequent contract renewal(s), prior to the initial scheduled fall school year order, allowing sufficient time for account set-up and training. The contractor will be required to provide delivery and service directly to each of the locations.

14. The following violates the offeror's Credit & Return Policy.

### **Sub Section 3.6.2 Delivery Specifications.**

e) At the time of delivery, a designated Schools employee will sign the invoice. This signature will only indicate that the order has been received and will indicate that from a visible review without opening the packaging or pallets, the invoice appears to match the delivery. This will be the subject to review when the delivery is opened inventoried.

**Sub Section 3.7.5 Credit and Return Memo.** Within seven (7) days of receipt of deficient, incorrect, or damaged item(s), a School will contact the CAE who will arrange for pick up and credit of the items.

## **Response**

**Evaluation and scoring will be based on compliance with the required Delivery Specifications, and Credit and Return Memo sections stated in the RFP. No change as stated in the RFP.**

### **15. Sub Section 3.6.2 Delivery Specifications.**

f) The Schools will exercise reasonable judgement when placing small orders and will make every attempt to place correct orders each time. In the event of an emergency, there shall be no extra charge to the Schools for any delivery made directly to an operation, no matter what the case count or dollar value of the order. There also shall be no extra charge for any deliveries made outside the normal delivery schedule. The Schools will monitor the orders process and will address order compliance issues in addition to any other means it feels is appropriate for resolution.

### **Sub Section 3.6.3 Delivery Schedules.**

3) There shall be no extra charges to the Schools for any delivery made within the regular delivery schedule, nor for any emergency "extra" deliveries outside the regular delivery schedule no matter the case count or dollar value of the order. The Schools will exercise reasonable judgement when placing small orders and will make every attempt to meet the \$400 minimum order requirement stated in the RFP and to place correct orders each time.

A fee or the \$400 minimum order amount will need to be applied to emergency orders that are the fault of the Schools. The exceptions for not adding additional cost are as follows:

- a. The deliveries are made within the regular delivery schedule.
- b. The orders meet the \$400 minimum order.

c. The emergency delivery is the fault of the contractor.

**Response**

**Evaluation and scoring will be based on compliance with the emergency order requirements stated in the Delivery Specifications in Section 3.6.2, f), and compliance with the provisions for emergency “extra” deliveries made outside the regular delivery schedule. No change as stated in the RFP.**

**16. Sub Section 3.7.4 Freight Schedule.** A freight schedule will not be provided as its' confidential and proprietary to the offeror only.

**Response**

**Sections 3.7.3 and 3.7.4 state mandatory requirements for submission of freight schedules. Refer to Sections 2.3.1 and 2.3.2 that address provisions for the handling of confidential information and trade secrets meeting the requirements of the Uniform Trade Secrets Act, Title 30, Chapter 14, Part 4, MCA. No change as stated in the RFP.**

**17. Sub Section 3.7.6 Reports.**

e) Outage/Substitution report emailed to all accounts the morning of each delivery.

Is it necessary to send an outage/substitution report when the Schools have been notified the day before the delivery by confirmation email, and the CSR?

**Response**

**Outage/Substitution reports provide critical planning information to Food Service Directors, and need to be reported as required in Section 3.7.6, unless the FSD or designee requests otherwise. No change as stated in the RFP.**

**18. Sub Section 4.2.2.** Outstanding or Previous Litigations.

The offeror is a publicly traded company and all litigations are public knowledge.

**Response**

**As noted in Section 4.2.2, this item will not be scored, but the information may be used to determine the offeror's responsibility. MCS reserves the right to request this information from the offeror in the event that the issue of offeror's responsibility is necessary in proposal evaluation. No change as stated in the RFP.**

**19.** We would propose adding the following language to Section 3.7.8 of the RFP to read “Notwithstanding anything to the contrary in the RFP, only those rebates enumerated specifically for Montana COOP will be applied to reduce Cost as defined in the RFP or resulting contract”.

**Response**

**MCS concurs with the inclusion of the proposed language to Section 3.7.8.**

B. All other terms of the subject "Request for Proposal" remain as previously stated.