



**MONTANA COOPERATIVE
SERVICES, LLC
REQUEST FOR PROPOSAL (RFP)
(THIS IS NOT AN ORDER OR CONTRACT)**

RFP Number: MCS#16-01	RFP Title: <u>Food Product Supplier</u>	
RFP Response Due Date/Time: May 27, 2016 2:00 p.m. Helena, Montana Local Time	Number of Pages: 44	Issue Date: April 27, 2016
ISSUING AGENCY INFORMATION		
Procurement Officer: Thomas M. Gustin	Montana Cooperative Services, LLC PO Box 1612 Helena, MT 59624-1612 Phone: (406) 443-2629 Fax: (406) 449-0985	
Website: http://mrea-mt.org/mcs/		

INSTRUCTIONS TO OFFERORS	
Return Sealed Proposal to: Montana Cooperative Services, LLC c/o Thomas M. Gustin 517 State Street Helena, MT 59601-4335	Mark Face of Envelope/Package: RFP Number: MCS#16-01 RFP Response Due Date: May 27, 2016
OFFERORS MUST COMPLETE THE FOLLOWING	
Offeror Name/Address:	<hr/> (Name/Title) <hr/> (Signature) <small>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.</small>
Type of Entity (e.g., corporation, LLC, etc.)	Offeror Phone Number:
Offeror E-mail Address:	Offeror FAX Number:
OFFERORS MUST RETURN THIS COVER SHEET WITH RFP RESPONSE	

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INSTRUCTIONS TO OFFERORS

It is the responsibility of each offeror to:

Follow the format required in the RFP when preparing your response. Provide responses in a clear and concise manner.

Provide complete answers/descriptions. Read and answer **all** questions and requirements. Proposals are evaluated based **solely** on the information and materials provided in your written response.

Use any forms provided, e.g., cover page, certification forms, Market Basket spreadsheet, etc.

Submit your response on time. Note all the dates and times listed in the Schedule of Events and within the document. Late proposals are **never** accepted.

The following items MUST be included in the response.
Failure to include ANY of these items may result in a nonresponsive determination.

- ☒ **Signed Cover Sheet**
- ☒ **Signed Addenda (if appropriate) in accordance with Section 1.4.3**
- ☒ **Correctly executed Montana Cooperative Services, LLC "Affidavit for Trade Secret Confidentiality" form, if claiming information to be confidential or proprietary in accordance with Section 2.3.1.**
- ☒ **In addition to a detailed response to all requirements within Sections 3, 4, 5; Appendices A, B C and D, offeror must acknowledge that it has read, understands, and will comply with each section/subsection listed below by initialing the line to the left of each. If offeror cannot meet a particular requirement, provide a detailed explanation next to that requirement.**

- _____ Section 1, Introduction and Instructions
- _____ Section 2, RFP Standard Information
- _____ Section 3.1, Background/Responsibilities of Schools
- _____ Section 3.2, Definition of Terms
- _____ Section 3.3, Offeror Service Requirements
- _____ Section 3.4, Purchasing Requirements
- _____ Section 3.5, Order Placement Process
- _____ Section 3.6, Delivery Procedures
- _____ Section 3.7, Payment of Purchases
- _____ Section 3.8, Monitoring/Management of Purchases
- _____ Section 3.9, Additional Information
- _____ Section 4.1, MCS's Right to Investigate and Reject
- _____ Section 4.2, Offeror Qualifications

_____	Section 5, Cost Proposal
_____	Section 6, Evaluation Process
_____	Appendix A, RFP Standard Terms and Conditions
_____	Appendix B, Contract
_____	Appendix C, Market Basket
_____	Appendix D, Directory of Schools

SCHEDULE OF EVENTS

<u>EVENT</u>	<u>DATE</u>
RFP Issue Date.....	<u>April 27, 2016</u>
Deadline for Receipt of Written Questions	<u>May 6, 2016</u>
Deadline for Posting of Written Responses to MCS’s Website	<u>May 13, 2016</u>
RFP Response Due Date	<u>May 27, 2016</u>
Intended Date for Contract Award	<u>June 30, 2016</u>

SECTION 1: INTRODUCTION AND INSTRUCTIONS

1.1 INTRODUCTION

Montana Cooperative Services, LLC, ("MCS" and/or the "Schools,") is seeking a contractor to provide Food Product Supplier services for approximately 163 participating Montana schools. A more complete description of the supplies and/or services to be provided is found in Section 3.

1.2 CONTRACT PERIOD

The contract period is one year beginning July 1, 2016 and ending June 30, 2017, inclusive. The parties may mutually agree to a renewal of this contract in one-year intervals, or any interval that is advantageous to the Schools. The contractor shall provide a commitment for the fixed fee markup to the cost of food items, based on the terms of the contract and any renewals.

1.3 SINGLE POINT OF CONTACT

From the date this Request for Proposal (RFP) is issued until an offeror is selected and announced by the procurement officer, **offerors shall not communicate with any MCS or Schools staff regarding this procurement, except at the direction of Thomas M. Gustin**, the procurement officer in charge of the solicitation. Any unauthorized contact may disqualify the offeror from further consideration. Contact information for the single point of contact is as follows:

Procurement Officer: **Thomas M. Gustin**
Telephone Number: **(406) 422-6842**
Fax Number: **(406) 449-0985**
E-mail Address: **tgustinmcs@gmail.com**

1.4 REQUIRED REVIEW

1.4.1 Review RFP. Offerors shall carefully review the entire RFP. Offerors shall promptly notify the procurement officer identified above via e-mail or in writing of any ambiguity, inconsistency, unduly restrictive specifications, or error that they discover. In this notice, the offeror shall include any terms or requirements within the RFP that preclude the offeror from responding or add unnecessary cost. Offerors shall provide an explanation with suggested modifications. The notice must be received by the deadline for receipt of inquiries set forth in Section 1.4.2. MCS will determine any changes to the RFP.

1.4.2 Form of Questions. Offerors having questions or requiring clarification or interpretation of any section within this RFP must address these issues via e-mail or in writing to the procurement officer referenced above on or before May 6, 2016. Clear reference to the section, page, and item in question must be included. Questions received after the deadline may not be considered.

1.4.3 MCS's Response. MCS will provide a written response by May 13, 2016 to all questions received by May 6, 2016. MCS's response will be by written addendum and will be posted on MCS's website with the RFP at <http://mrea-mt.org/mcs> by the close of business on the date listed. Any other form of interpretation, correction, or change to this RFP will not be binding upon MCS. **Offerors shall sign and return with their RFP response an Acknowledgment of Addendum for any addendum issued.**

1.5 GENERAL REQUIREMENTS

1.5.1 Acceptance of Standard Terms and Conditions/Contract. *By submitting a response to this RFP, offeror accepts the standard terms and conditions and contract as set out in Appendices A and B,*

respectively. Much of the language included in the standard terms, conditions and contract reflects the requirements of Montana law.

Offerors requesting additions or exceptions to the standard terms and conditions, or to the contract terms, shall submit them to the procurement officer listed above by the date specified in Section 1.4.2. A request must be accompanied by an explanation why the exception is being sought and what specific effect it will have on the offeror's ability to respond to the RFP or perform the contract. MCS reserves the right to address nonmaterial requests for exceptions to the standard terms and conditions and contract language with the highest scoring offeror during contract negotiation.

MCS shall identify any revisions to the standard terms and conditions and contract language in a written addendum issued for this RFP. The addendum will apply to all offerors submitting a response to this RFP. MCS will determine any changes to the standard terms and conditions and/or contract.

1.5.2 Resulting Contract. This RFP and any addenda, the offeror's RFP response, including any amendments, a best and final offer (if any), and any clarification question responses shall be incorporated by reference in any resulting contract.

MCS's Contract, attached as Appendix B, contains the Contract terms and conditions which will form the basis of any Contract between MCS and the highest scoring Offeror. In the event of a dispute as to the duties and responsibilities of the parties under this Contract, the Contract, along with any attachments prepared by MCS, will govern in the same order of precedence as listed in the Contract.

1.5.3 Understanding of Specifications and Requirements. By submitting a response to this RFP, offeror acknowledges it understands and shall comply with the RFP specifications and requirements.

1.5.4 Offeror's Signature. Offeror's signature must be signed in ink by an individual authorized to legally bind the offeror. The offeror's signature guarantees that the offer has been established without collusion. Offeror shall provide proof of authority of the person signing the RFP upon MCS's request.

1.5.5 Offer in Effect for 120 Calendar Days. Offeror agrees that it may not modify, withdraw or cancel its proposal for a 120-day period following the RFP due date or receipt of best and final offer, if required.

1.6 SUBMITTING A PROPOSAL

1.6.1 Organization of Proposal. Offerors must organize their proposal into sections that follow the format of this RFP. Proposals should be bound, and must include tabbed dividers separating each section. Proposal pages must be consecutively numbered.

All subsections listed in the "Instructions to Offerors" on page 3 require a response. Restate the section/subsection number and the text immediately prior to your written response. Unless specifically requested in the RFP, an offeror making the statement "Refer to our literature..." or "Please see www.....com" may be deemed nonresponsive or receive point deductions. If making reference to materials located in another section of the proposal, specific page numbers and sections must be noted. **The Evaluator/Evaluation Committee is not required to search through the proposal or literature to find a response.**

MCS encourages offerors to use materials (e.g., papers, dividers, binders, brochures, etc.) that contain post-consumer recycled content. Offerors are encouraged to print/copy on both sides of each page.

1.6.2 Failure to Comply with Instructions. Offerors failing to comply with these instructions may be subject to point deductions. Further, MCS may deem a proposal non-responsive or disqualify it from further consideration if it does not follow the response format, is difficult to read or understand, or is missing any requested information.

1.6.3 Multiple Proposals. Offerors may, at their option, submit multiple proposals. Each proposal shall be evaluated separately.

1.6.4 Price Sheets. Offerors ***must*** use the RFP Price Sheets found in Section 5 and in Appendix C, Market Basket. These price sheets serve as the primary representation of the offeror's cost/price. Offerors should include additional information as necessary to explain the offeror's cost/price.

1.6.5 Copies Required and Deadline for Receipt of Proposals. Offerors must submit **one original proposal and five copies** to MCS. MCS reserves the right to request an electronic copy of the RFP response. In addition, offerors must submit two electronic copies on compact disc (CD) or universal serial bus (USB) flash drive in Microsoft Word or portable document format (PDF). If any confidential material materials are included in accordance with the requirements of Section 2.3.2, they must be submitted on a separate CD or USB flash drive.

EACH PROPOSAL MUST BE SEALED AND LABELED ON THE OUTSIDE OF THE PACKAGE clearly indicating it is in response to RFP MCS#16-01. ***Proposals must be received at the address of the Procurement Official prior to 2:00 p.m., Mountain Time, May 27, 2016. Offeror is solely responsible for assuring delivery to the procurement officer by the designated time.***

1.6.6 Facsimile Responses. A facsimile response to an RFP will only be accepted on an exception basis with prior approval of the procurement officer and only if it is received in its entirety by the specified deadline. Responses to RFPs received after the deadline will not be considered.

1.6.7 Late Proposals. ***Regardless of cause, MCS shall not accept late proposals. Such proposals will automatically be disqualified from consideration.*** Offeror may request MCS return the proposal at the offeror's expense or MCS will dispose of if requested by the offeror. (See Administrative Rules of Montana (ARM) 2.5.509.)

1.7 COSTS/OWNERSHIP OF MATERIALS

1.7.1 MCS Not Responsible for Preparation Costs. Offeror is solely responsible for all costs it incurs prior to contract execution.

1.7.2 Ownership of Timely Submitted Materials. MCS shall own all materials submitted in response to this RFP.

SECTION 2: RFP STANDARD INFORMATION

2.1 AUTHORITY

This RFP is issued under 18-4-124, 18-4-304 and 20-9-204, Montana Code Annotated (MCA) and 2.5.602, Administrative Rules of Montana (ARM). The RFP process is a procurement option allowing the award to be based on stated evaluation criteria. The RFP states the relative importance of all evaluation criteria. MCS shall use only the evaluation criteria outlined in this RFP.

2.2 OFFEROR COMPETITION

MCS encourages free and open competition to obtain quality, cost-effective services and supplies. MCS designs specifications, proposal requests, and conditions to accomplish this objective.

2.3 RECEIPT OF PROPOSALS AND PUBLIC INSPECTION

2.3.1 Public Information. Subject to exceptions provided by Montana law, all information received in response to this RFP, including copyrighted material, is public information. Proposals will be made available for public viewing and copying shortly after the proposal due date and time. The exceptions to this requirement are: (1) bona fide trade secrets meeting the requirements of the Uniform Trade Secrets Act, Title 30, chapter 14, part 4, MCA, that have been properly marked, separated, and documented; (2) matters involving individual safety as determined by MCS; and (3) other constitutional protections. See section 18-4-304, MCA. MCS does not provide a photocopier for interested parties' use. The interested party is responsible for the cost of copies and shall provide a copier and personnel to do the copying.

2.3.2 Procurement Officer Review of Proposals. Upon opening the proposals in response to this RFP, the procurement officer will review the proposals for information that meets the exceptions in Section 2.3.1, providing the following conditions have been met:

- Confidential information (including any provided in electronic media) is clearly marked and separated from the rest of the proposal.
- The proposal does not contain confidential material in the cost or price section.
- An affidavit from the offeror's legal counsel attesting to and explaining the validity of the trade secret claim as set out in Title 30, chapter 14, part 4, MCA, is attached to each proposal containing trade secrets. Counsel must use the MCS "Affidavit for Trade Secret Confidentiality" form in requesting the trade secret claim. This affidavit form is available on the MCS web page at: <http://mrea-mt.org/mcs/> or by calling (406) 422-6842.

Information separated out under this process will be available for review only by the procurement officer, the evaluator/evaluation committee members, and limited other designees. Offerors shall pay all of its legal costs and related fees and expenses associated with defending a claim for confidentiality should another party submit a "right to know" (open records) request.

2.4 CLASSIFICATION AND EVALUATION OF PROPOSALS

2.4.1 Initial Classification of Proposals as Responsive or Nonresponsive. MCS shall initially be classify all proposals as either "responsive" or "nonresponsive" (ARM 2.5.602). MCS may deem a proposal nonresponsive if: (1) any of the required information is not provided; (2) the submitted price is found to be excessive or inadequate as measured by the RFP criteria; or (3) the proposal does not meet RFP requirements and specifications. MCS may find any proposal to be nonresponsive at any time during the procurement process. If MCS deems a proposal nonresponsive, it will not be considered further.

2.4.2 Determination of Responsibility. The procurement officer will determine whether an offeror has met the standards of responsibility consistent ARM 2.5.407. An offeror may be determined nonresponsive at any time during the procurement process if information surfaces that supports a nonresponsive determination. If an offeror is found nonresponsive, the procurement officer will notify the offeror by mail. The determination will be included within the procurement file.

2.4.3 Evaluation of Proposals. An evaluator/evaluation committee will evaluate all responsive proposals based on stated criteria and recommend an award to the highest scoring offeror. The evaluator/evaluation committee may initiate discussion, negotiation, or a best and final offer. In scoring against stated criteria, the evaluator/evaluation committee may consider such factors as accepted industry standards and a comparative evaluation of other proposals in terms of differing price or quality. These scores will be used to determine the most advantageous offering to MCS. If an evaluation committee meets to deliberate and evaluate the proposals, the public may attend and observe the evaluation committee deliberations.

2.4.4 Completeness of Proposals. Selection and award will be based on the offeror's proposal and other items outlined in this RFP. Proposals may not include references to information such as Internet websites, unless specifically requested. Information or materials presented by offerors outside the formal response or subsequent discussion, negotiation or best and final offer, if requested, will not be considered, will have no bearing on any award, and may result in the offeror being disqualified from further consideration.

2.4.5 Achieve Minimum Score. Any proposal that fails to achieve **75% of the total available points for Sections 3 & 4** will be eliminated from further consideration. A "fail" for any individual evaluation criteria may result in proposal disqualification at the discretion of the procurement officer.

2.4.6 Mandatory Requirements. To be eligible for consideration, an offeror **must** meet all mandatory requirements as listed in **Sections 3, 4, 5 and Appendices A, B, C and D**. The State will determine whether an offeror's proposal complies with the requirements. Proposals that fail to meet any mandatory requirements listed in this RFP will be deemed nonresponsive.

2.4.7 Opportunity for Discussion/Negotiation and/or Oral Presentation/Product Demonstration. After receipt of proposals and prior to the recommendation of award, the procurement officer may initiate discussions with one or more offerors should clarification or negotiation be necessary. Offerors may also be required to make an oral presentation and/or product demonstration to clarify their RFP response or to further define their offer. In either case, Offerors should be prepared to send qualified personnel to Helena or Billings, Montana, to discuss technical and contractual aspects of the proposal. Oral presentations and product demonstrations, if requested, shall be at the offeror's expense.

2.4.8 Best and Final Offer. Under Montana law, the procurement officer may request a best and final offer if additional information is required to make a final decision. MCS reserves the right to request a best and final offer based on price/cost alone. Please note that best and final offers on cost alone are rarely requested.

2.4.9 Evaluator/Evaluation Committee Recommendation for Contract Award. The evaluator/evaluation committee will provide a written recommendation for contract award to the procurement officer that contains the scores, justification and rationale for the decision. The procurement officer will review the recommendation to ensure its compliance with the RFP process and criteria before concurring in the evaluator's/evaluation committee's recommendation.

2.4.10 Request for Documents Notice. Upon concurrence with the evaluator's/evaluation committee's recommendation, the procurement officer will request from the highest scoring offeror the required documents and information, such as insurance documents, contract performance security, an electronic copy of any requested material (e.g., proposal, response to clarification questions, and/or best and final offer), and any other necessary documents. Receipt of this request does not constitute a contract and **no work may**

begin until a contract signed by all parties is in place. The procurement officer will notify all other offerors of MCS's selection.

2.4.11 Contract Execution. Upon receipt of all required materials, a contract (Appendix B) incorporating the standard terms and conditions (Appendix A), as well as the highest scoring offeror's proposal, will be provided to the highest scoring offeror for signature. The highest scoring offeror will be expected to accept and agree to all material requirements contained in Appendices A and B of RFP. If the highest scoring offeror does not accept all material requirements, MCS may move to the next highest scoring offeror, or cancel the RFP. Work under the contract may begin when the contract is signed by all parties.

2.5 MCS'S RIGHTS RESERVED

While MCS has every intention to award a contract resulting from this RFP, issuance of the RFP in no way constitutes a commitment by MCS to award and execute a contract. Upon a determination such actions would be in its best interest, MCS, in its sole discretion, reserves the right to:

- Cancel or terminate this RFP (section 18-4-307, MCA);
- Reject any or all proposals received in response to this RFP (ARM 2.5.602);
- Waive any undesirable, inconsequential, or inconsistent provisions of this RFP which would not have significant impact on any proposal (ARM 2.5.505);
- Not award if it is in MCS's best interest not to proceed with contract execution (ARM 2.5.602); or
- If awarded, terminate any Contract if MCS determines adequate funds are not available (section 18-4-313, MCA).

SECTION 3: SCOPE OF SERVICES

To enable MCS to determine the capabilities of an offeror to provide the supplies and perform the services specified in the RFP, the offeror shall respond to the following regarding its ability to meet the Schools' requirements.

All subsections of Section 3.3 through 3.9 require a response. Restate the subsection number and the text immediately prior to your written response.

NOTE: Each item must be thoroughly addressed. Offerors taking exception to any requirements listed in this section may be found nonresponsive or be subject to point deductions.

3.1 BACKGROUND/RESPONSIBILITIES OF SCHOOLS

3.1.1 Background MCS is seeking a full line food service distributor ("Contractor") as a primary supplier of the product categories and services referenced in this Request for Proposal (RFP) to approximately 163 Montana schools (listed in Appendix D) ordering on a weekly, biweekly or monthly basis. A full line food service distributor provides the following: maintains a high quality program for warehousing and distribution to ensure that first-in, first-out principles are used; product shelf life is monitored; products are free of damage; correct products and quantities are selected and delivered timely, at the correct price, product discrepancies; complaints are resolved; corrective action is initiated, customer satisfaction is monitored; supplier FDA or DOD initiated food recalls are promptly reported; and salvaged products are not used.

MCS has approximately 163 participating schools in Montana that purchased \$6.3 million in School Year 2014-2015 and \$5.2 million through March 31st of the 2015-2016 School Year. Additional schools may be added to the resulting contract. Any public, private, parochial, non-public educational facility, colleges and community colleges approved by the Montana Board of Public Education may be eligible to participate.

3.1.2 Responsibilities of Schools

a) Purchasing Commitment. On an annual basis, participating schools will commit to purchasing a minimum of 65% of estimated annual food expenses, less commodity purchases.

b) Minimum Order Amount. Except as noted in Sections 3.6.2 and 3.6.3, the participating Schools will commit to minimum order amounts of \$400.00.

NOTE: Each item under Sections 3.3 to 3.9 must be thoroughly addressed. If the requirement states “must” or “shall” then the requirement or its intent (in MCS’s sole judgment) must be met or it will be determined to be non-responsive (“Mandatory”). Offerors taking exception to any “should” requirements listed in this Section will be subject to point deductions (“Preferred”). Offeror’s responses to “should” requirements need to provide what the Offeror alternatively to address the requirement. In the response to the RFP the offeror must describe, in detail the offeror’s knowledge about the requirement, the offeror’s product and service that is offered to meet the requirement and what tools and approach will be used to fulfill each requirement identified below. Offeror is to provide an overall description of the online direct order entry system proposed.

3.2 DEFINITION OF TERMS

3.2.1 Contractor Account Executive (CAE) – is the contractor's company representative assigned to work with the "Schools Food Service Directors (or designees)."

3.2.2 Contractor Cost – is defined as the contractor's invoice cost less any off invoice allowances plus split-case cost, if charged, freight, if charged, and excluding any prompt payment discounts.

3.2.3 Contractor Fixed Fee – is defined as a consistent dollar amount, which is added to the "contractor cost" to determine the contractor's selling price per Item to MCS. The contractor fixed fee amount per item established in the market basket may not change during the life of the entire contract including any extension made on the original contract. Items purchased by the Schools not listed in the market basket shall have a fixed fee assigned to them according to sub-categories. These fixed fees assigned to the sub-categories may not change during the life of the entire contract including any extensions made on the original contract. Percentage markups are not acceptable.

3.2.4 Contractor Senior Management Executive – is the contractor's executive who oversees the entire contract and supervises the Contractor Account Executive to maintain a smooth and efficient relationship between MCS and the contractor for the life of the contract.

3.2.5 Direct Order Entry System (“System”) – is the contractor’s software and its associated system that is used to place orders and is resident at both contractor’s and participating Schools’ locations with an interface so that each School and the contractor may place, track, change, etc. orders.

3.2.6 Fill Rate - is calculated by taking the number of cases actually delivered divided by the number of cases ordered per delivery location. The final number is represented as a percentage and calculated on a year-to-date basis. Approved substitutions would be considered as shipped complete.

3.2.7 Drop Shipment – a process where the contractor arranges for the order of food or food service related supplies and has them shipped direct from the manufacturer to the participating Schools. The contractor shall pay the manufacturer for the products and in turn bill the Schools.

3.2.8 Key Items – are defined as all items, as well as the brand-specific Items, the Schools expect the contractor to purchase and keep in stock, (which are not currently stocked) so that it may be ordered as needed.

3.2.9 Market Basket – is an itemized listing of MCS's largest volume usage items in each of the specified major categories listed below under Major Categories.

3.2.10 Major Categories – Each major category has a separate appendix and are designed as follows:

- | | | |
|----|-----------------------------|-------------------------|
| a) | Beverages | Appendix C, RFP #16-01 |
| b) | Disposables | Appendix C, RFP # 16-01 |
| c) | Dry Groceries | Appendix C, RFP # 16-01 |
| d) | Frozen Miscellaneous | Appendix C, RFP # 16-01 |

e)	Frozen Protein	Appendix C, RFP # 16-01
f)	Frozen Fruits-Vegetables	Appendix C, RFP # 16-01
g)	Fruits-Vegetables-Juice	Appendix C, RFP # 16-01
h)	Refrigerated	Appendix C, RFP # 16-01
i)	Non-Market Basket Item Categories	Appendix C, RFP # 16-01

3.2.11 Marketing Programs – incentive programs organized by third parties and/or manufacturers to reward MCS in specified product usage over defined time periods.

3.2.12 Off-invoice allowance – a customer specific allowance discount, negotiated with a manufacturer for a specific dollar amount for a specified time frame. This would include but not be limited to allowances given to schools and non-profit organizations.

3.2.13 Products/Items – food and food service related supplies purchased under the Prime Vendor Agreement resulting from this RFP.

3.2.14 Proposal Pricing Method – Proposal pricing is to be done using MCS cost as defined above.

3.2.15 Proprietary Item – a product the contractor does not normally stock that MCS expects the contractor to purchase, stock and have available according to the order/delivery schedule of the contract.

3.2.16 Stock Items – are defined as items, which the contractor currently stocks.

3.2.17 Supplier – the manufacturer or company that sells products to the contractor.

3.2.18 Food Service Director or Designee (FSD) – the person designated by the individual School to work with the Contractor Account Executive, the Senior Management Executive and Outside Sales Associate(s).

3.2.19 MCS Cost – is defined as the total of "contractor cost" plus "contractor fixed fee."

3.2.20 Weekly Pricing – prices for products that are subject to change each week. Examples may include fresh produce, fresh meats, fresh seafood, fresh poultry, fresh eggs, cheeses, butter, shortenings, and oils.

3.3 OFFEROR SERVICE REQUIREMENTS

3.3.1 Account Representatives (Mandatory Requirement)

a) **Contractor Account Executive ("CAE")**. The contractor shall have an account executive assigned to the MCS/Schools account. Frequent telephone, correspondence and personal contact between the CAE, MCS and the each of the Schools' FSD (or designee) will be expected. The CAE responsibilities encompass not only the following responsibilities but also any other responsibilities outlined in this agreement. The CAE will oversee the entire Prime Vendor agreement and devote as much time as necessary to maintain a smooth and efficient relationship. Offeror will identify the designated Contractor Account Executive (CAE) and provide a resume including the number of years and type of food service experience relative to this RFP (institutional, production bakery, restaurant, catering.) Indicate the number of years and type service experience to K-12 accounts and years of food service distribution to cooperative, multiple entity accounts with geographical considerations similar to MCS. Provide details as to the knowledge, skills and abilities this individual has acquired and how they will fulfill the obligations of this role.

1) At the beginning of the contract, the CAE will attend meetings in person or as needed with MCS and/or Schools personnel to, review inventory, and discuss areas of concern, promotions and to suggest ideas for monthly special dinners for the residence halls or catering. As the contract progresses, the number of meetings may be reduced.

2) The CAE will handle any MCS/Schools complaints to satisfactory completion as deemed by the Schools and MCS.

- 3) The CAE will recommend special programs, promotions and new product ideas that would be helpful to MCS and the Schools.
- 4) The CAE will assist with product research for new concepts and menus as they are introduced.
- 5) Coordinate rebate programs or incentives with School Food Service Directors and MCS representatives. The CAE will respond to all requests in a planned, organized and effective manner, in a complete and timely manner.
- 6) The CAE will coordinate the distribution of all needed reports and communications between the Schools and the contractor.
- 7) It is the intent of MCS that the CAE along with the appropriate brokerage representative will work together with MCS and the Schools to carefully watch market conditions. If it is anticipated that the price for item(s) will change drastically upward or downward, MCS/the Schools require communication from the CAE to alert the MCS and the Schools on advantages or disadvantages of buying that product or in buying larger or smaller quantities.
- 8) The CAE will be the “hub of the wheel” in all areas dealing with the MCS/Schools accounts.
- 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 School Food Service Directors (or designees) to discuss any shortages and needed substitutions.
- 11) The CAE will coordinate credits and returns of any deficient or mis-shipped items.
- 12) The CAE will coordinate the replacement of critical items that are short on day of delivery by purchasing from other sources and delivering to the Schools.
- 13) The CAE will resolve any problems with delivery schedules.
- 14) The CAE will coordinate the communication of Schools menu requirements for use to contractor’s buyers including repeated shortages in supply, and any increased menu requirements.
- 15) The CAE will work with MCS/Schools representatives to develop agendas for periodic business reviews.
- 16) The CAE will introduce and/or demonstrate and/or sample new products to the Schools.
- 17) The CAE will coordinate and/or conduct samplings for product specification and evaluation including furnishing nutritional and expanded product information on all sample presented.
- 18) The CAE will coordinate research for small equipment needs.
- 19) The CAE will coordinate all special orders, drop shipment, or proprietary orders.
- 20) The CAE will coordinate the Schools contract pricing to order guides.
- 21) The CAE will coordinate with MCS/School Food Service Directors any rebate programs or incentives.
- 22) The CAE will work with manufacturer reps, brokers, and product specialists to offer full disclosure as to landed cost for product price evaluation.
- 23) The CAE will handle all MCS/Schools concerns or inquiries about any items and/or services.
- 24) The CAE will identify and coordinate the contractor’s resources to ensure that the Schools receive the maximum value in products, items and services.

b) Contractor Senior Management Executive. The contractor Senior Management Executive's role is to oversee the entire contract and to maintain a smooth and efficient relationship between MCS/Schools and the contractor for the life of the contract. Offeror will identify the designated Contractor Senior Management Executive (CSME) and provide a resume including the number of years and type of food service experience relative to this RFP (institutional, production bakery, restaurant, catering). Provide explanation as to this individual's expertise and what they have to offer the Schools as the SCME. Describe how this management position will enable the Senior Contractor Management Executive to deal with all departments in your organization in order to provide expedient and practical resolutions to any obstacles that may occur that could adversely affect the contractor's service to the Schools. Explain the type of discretion and/or authority the SCME will have in resolving problems and taking action with Schools concerns.

c) Outside Sales Representation. The Schools require a minimum of one onsite visit per week from a contractor's sales associate, separate from the delivery/route drivers. Provide a plan detailing how this will be accomplished during the school year (and fall start-up preparation month/weeks,) including the current locations of the sales associates, titles and minimum qualifications of the sales associates.

3.3.2 Educational. (Mandatory Requirement). The contractor shall provide to the Schools, at no extra expense: copies of related food service newsletters, periodicals, newspapers, etc. which are published by the contractor's parent company. The contractor shall make available to the Schools, at no extra charge: an assortment of training and informational DVD's, webinars, online information or newsletters concerning food item handling and preparation techniques, which are available to the Contractor. Instructional classes conducted by manufacturers' chefs, specialists, contractor representatives, or others, and shall be made available to the Schools for the purpose of education and training the Schools production staffs. Due to the diverse geographic locations of the participating schools, these classes may have to be repeated at different kitchen locations so as to enable Schools food service staffs to attend. Provide description of education programs already in place and how the educational requirements will be fulfilled.

3.3.3 Marketing Support. (Mandatory Requirement). The Schools expect to have direct access to manufacturer reps, brokers and product specialists for product information and pricing. However, the contractor shall assist in the management of suppliers, brokers and manufacturer representatives in order for the Schools to fully utilize the resources necessary to control costs and be aware of changing market conditions and new ideas. The contractor shall make available, either directly or through its suppliers, all signage, point of sale (POS) materials, flyers, table tents, sample products, give-a-ways, etc., that become available.

3.3.4 Market Trends. (Mandatory Requirement). The contractor shall provide the Schools with market information relating to new products, product condition and quality, and pricing trends. Provide details as to how the offeror will provide market information to the Schools.

a) The Schools prefer that the contractor have a systematic plan for disseminating information on new products brought into stock and their potential application for the Schools. Identify your plan for disseminating this information.

b) The Schools prefer that the contractor provide a weekly communication describing produce conditions and any special buys. In addition to the required weekly sales visits in Section 3.3.3 (c) above, describe the plan for providing this information.

c) The Schools prefer that the contractor provide, on a timely basis, crop reports concerning commodity items to assist the School Food Service Directors in product decisions.

d) The Schools may request the contractor supply projections for percent (%) increases in raw food costs. Does the offeror have this information readily available? If not, what process will be implemented to fulfill this requirement?

e) The Schools prefer that the contractor provide periodic information on new ideas, industry trends, what works in other operations, design and layout ideas, nutritional information, recipes and menu ideas and when requested; make recommendations on more appropriate products to use and/or provide other ideas that the Schools may apply to their respective operations.

3.3.5 Merchandising Assistance. (Mandatory Requirement). The contractor will aggressively seek adequate display racks, point of sale materials and other merchandising tools from various manufacturers and to provide such merchandising aides at no charge to the Schools. The contractor shall arrange for the Schools to have direct access to contractor's specialists in areas such as storage, inventory, merchandising, marketing, displays, etc., at no charge to the Schools. Describe the merchandising assistance that will be provided to the Schools and a plan for how it will be provided.

3.3.6 Food and Equipment Shows (Trade Shows). (Mandatory Requirement). The contractor will participate in the annual "Montana School Food Service Conference" and "Montana Conference of Education Leadership" and provide, at a minimum, one trade show per year where Schools can participate and obtain savings in ordering product that will be received and used by the Schools following the conferences. Should the food trade show occur while the Schools have a scheduled break, respective of school year calendar considerations, resulting in the inability of the Schools to take full advantage of the food show savings period, the contractor will take measures to extend the savings period when classes resume.

a) Provide a plan for involving (or inviting) the participating Schools in regional, local or national food shows or fairs, including the contractor hosting smaller food shows to aid in product research, employee information and training, or for customer involvement. The Schools prefer that the contractor provide assistance in coordinating events and obtaining the cooperation of brokers and manufacturer representatives as requested.

3.3.7 Toll Free Access. (Mandatory Requirement). The contractor will provide the Schools with a toll free telephone number for reaching all the needed personnel at the contractor's facility, including access to voice mail system and mobile telephone numbers, as needed.

3.3.8 Electronic Mail. (Mandatory Requirement). E-mail may be used by Schools personnel. Schools personnel and all contractor support personnel may use email as a form of communication with the Schools. Please indicate the accessibility of each support person and provisions for access employees to applicable contractor's employees, with their own email addresses, and response time for communications sent via E-mail.

3.3.9 Equipment. (Mandatory Requirement). Product specific equipment and maintenance of said equipment will be provided, at no cost to the Schools, in serving some items purchased as a result of this RFP. As needed, the contractor must supply and install equipment to produce and dispense some products such as juices, hot chocolate and other beverages and provide the set-up and maintenance service required in a manner satisfactory to the Schools. Equipment is to be in new or like new condition and of the latest technology and development, subject to approval of the Schools. The Schools will provide power and water services to a connection point at each equipment location. The Schools require that the cost associated with the use of this equipment be included in the price of the product. Installation at participating locations will occur as requested by the participating Schools prior to beginning of the school year.

a) Service will include emergency service calls for Schools locations, when requested by authorized Schools Food Service personnel. Such service shall be performed within 24 hours after notification and in a manner that limits equipment downtimes and customer inconvenience. No labor costs will be charged to the Schools.

b) The removal and installation of any equipment shall be coordinated with the participating Schools at no charge to the Schools.

c) Upon installation of the equipment, the contractor's representative shall instruct and supervise all personnel in the use of the products and proper functioning of all equipment.

d) The contractor shall be responsible for the loss or damage to Schools property that may occur while the contractor's employee is in the process of installing or servicing the dispensing equipment.

e) All loss or damage to the dispensing equipment shall be the sole responsibility of the contractor, regardless of how such loss or damage shall occur. The Schools shall assume no responsibility for any damage to the dispensing equipment owned by the contractor.

f) The contractor will meet with the Schools personnel to establish the equipment needs following the contract award.

3.3.10 Expanded Product and Nutrition Information. (Mandatory Requirement). Offeror is to provide details on the current availability of information identified below and how it would be provided or developed for the Schools.

a) Upon request, the Contractor must provide the Schools with expanded item information to include, but not be limited to: manufacturer name, manufacturer product code number, general description of the product, portion or serving size, number of portions per case, whether delivered frozen, refrigerated or shelf stable.

b) Upon request, the Contractor must also provide the Schools with nutritional information per Item, to include but not be limited to: the list of ingredients as per the product label including any allergy designations (e.g., peanuts, tree nuts, fish, shellfish, eggs, milk, wheat, and soy.)

c) Upon request, the Contractor must also provide a listing of all sub-ingredients in an item (e.g., vanilla cake mix, battered chicken, cheese sauce, etc.) within the Item itself.

d) The expanded product and nutrition information should be available online for ease of access.

3.3.11 Sustainability. (Mandatory Requirement). The Schools recognize that sustainability is a concept that seeks to provide the best outcomes for human and natural environments both now and into the indefinite future. Whenever possible the Schools attempt to foster sustainability. Included would be sourcing products that can be recycled or are biodegradable and that contain less toxic and hazardous chemicals and additives; source reduction; and solid waste reduction. Also included would be purchasing local goods that are grown in environmentally sound ways or in buying products through systems that produce the least amount of environmental pollutants. The Schools prefer that the contractor foster sustainability and partner with the Schools in the expanding areas of sustainability. The offeror shall provide details on any current program in place for sustainability.

3.3.12 Smallwares and Small Equipment Program. (Mandatory Requirement). With its ever-changing concepts, merchandising and display techniques, the Schools have a need for assistance in the research and selection of smallwares and small equipment. A current up-to-date catalog with detailed product information, order numbers and pricing is required. In addition, the Schools prefer to have access to a smallwares online catalog that would include sophisticated search functions, detailed specification sheets and photos and Schools pricing. Offeror is to provide details of program(s) currently in place.

3.3.13 Disaster Plan. (Mandatory Requirement). Offeror is to describe their current disaster plan which addresses and defines its strategy for continuing deliveries to the Schools in the event of disasters such as natural disaster, pandemic, inclement weather, work stoppage, or other happenings.

3.3.14 Business Review Meeting. (Mandatory Requirement). The contractor shall participate in a business review meeting with MCS a minimum of once a year. The purpose of the review will be for both parties to discuss: updates of coming events and changes, contract terms and compliance issues, overall management of the Prime Vendor Program, new products and market trends, and any other matters or future opportunities which will enhance the Schools/Contractor alliance.

3.3.15 Transition Assistance (Mandatory Requirement). Contractor shall have the following obligations in the event of a transition of service providers:

a) If Proprietary Items are under contract to be purchased from the existing service provider, contractor will pick up and store such inventory for later delivery to the Schools.

b) Contractor shall provide, all reasonable transition assistance requested by the Schools, to allow for the services to continue without interruption or adverse effect, and to facilitate the orderly transfer of such services to the Schools. Provide a proposed plan based on the information provided in the RFP and offeror's experience in transitioning other new customers.

c) In the event of transition from the current contractor, the new contractor shall pay for the cost of transition in the amount of \$10,000 (collectively based on the needs of each school). Such amount is payable to MCS by July 31, 2016, in the event of contractor transition.

3.4 PURCHASING REQUIREMENTS

3.4.1 FOOD ITEMS AND FOOD SUPPLIES. (Mandatory Requirement). To the best of their abilities, the Schools will exercise reasonable judgment and attempt to use items already stocked by the contractor, but reserve the right to request the contractor to order and stock new brand-specific products. The following sub-sections are the Schools' minimum acceptable standards for Item inventory.

a) **Proprietary Items.** The Schools expect the contractor to have Proprietary Items available according to the order/delivery schedule of the contract. The Schools will notify the contractor at least two weeks in advance of the intended need for a stocked Proprietary Item. The Schools will indicate the amount needed for the initial purchase and the ongoing estimated monthly usage, the manufacturer's name, pack, and manufacturer product code number. There shall be no minimum usage per month in order to stock a Proprietary Item. The Schools will notify the contractor whenever a Proprietary Item is no longer needed. At that time, or in the event that the contract is canceled, the Schools agree to purchase all Proprietary Items that the contractor has purchased at that time, as long as the quantity does not exceed the original estimate. There shall be no additional charge to the Schools for buying and storing Proprietary Items. The contractor's fixed-fee for all Proprietary Items will be same as stated in the fixed-fee mark-up schedule for the comparable product.

b) **Special Order Items.** Special Order Items will be delivered to the contractor, then immediately shipped to the School(s). The Schools will purchase a Special Order Items in the pack size designated by the manufacturer. There will be no long-term storage of the Special Order Items. There shall be no additional charge to the Schools for the buying and handling of Special Order Items. The contractor's fixed-fee for any Special Order Items will be the same as stated in the fixed-fee mark-up schedule for comparable Item(s).

c) **Drop-Ship Items.** Contractor agrees to Drop Ship Special Order Items when requested by the Schools. The contractor will pay the manufacturer for the Special Order Items including freight and in turn will invoice the School(s).

3.4.2 SUBSTITUTIONS AND SHORTAGES. (Mandatory Requirement). The contractor shall make no brand or Item substitutions on an order without prior approval from the School Food Service Director (or designee) that placed the order. All substitutions shall be noted on the invoice. In addition, the originally ordered Item shall be left on the invoice and show zero (0) shipped. Shortages should be clearly indicated on the invoice. Items substituted must be equal to or of better quality than the Item originally ordered. If a substitution is made that costs more than the originally ordered Item, the substituted Item shall be sold to the School(s) at the same price per serving as the originally ordered item. If a substitution is made that costs less than the originally ordered Item, the substituted Item shall be sold to the School(s) at the lower cost with the normal markup applied. If critical items are not delivered completely, the contractor must correct the situation within four (4) hours. If a School has to buy an Item from another source due to shortages that occur, the contractor shall reimburse the School for any difference in purchase price, if the alternate Item costs more than the originally ordered Item, and for any additional labor incurred by the School(s). Items to be backordered will be decided upon by the School Food Service Director that placed the order. Subject to the terms of section 2.4.2, a contractor may be determined nonresponsible if there are repeated instances of substituted items of inferior quality.

3.4.3 PRINTED ITEM CATALOG. (Mandatory Requirement). The offeror will provide a printed Item Catalog (printed by and furnished by the contractor) that shall contain Item definition, contractor Item number, line number, pack size, order unit and the School's cost for each Item. If the Schools standardize or automate inventory/ordering functions, the Item Catalog may require the inclusion of the Schools' Item numbering. Provide a sample of Offeror catalog with RFP response.

a) The School's cost expiration dates shall be clearly marked in the Item Catalog.

b) Splits need to be clearly identified in the 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 as needed after the Schools' cost changes have been updated on a weekly basis. Addendum pages or hand written changes are not acceptable. The Schools will determine if additional catalog copies are required. The Schools will provide a detailed list of the name and address of where Item Catalogs are to be delivered.

d) The Item Catalog shall indicate in some manner when the Schools' cost and/or pack sizes have changed from the previous catalog.

e) Currently, the Schools are not utilizing computerized food production systems or inventory systems. The contractor will be notified in advance of the need for linking the Schools' system to the contractor's ordering system. Contractor will notify the Schools immediately of any pack size changes; Item number changes, and any deletions from the Contractor's System. To keep up with changing markets, the Schools will be notified in a systematic manner of all new items brought into stock. Reports of new items should include a clear product description; pack size, etc., as well as the Schools' cost. Submit a complete catalog of all current inventory items in stock as of April 27, 2016. Provide a description of how offeror will meet this requirement.

3.4.4 Schools Cost Changes. (Mandatory Requirement). The Schools cost for all items, as established in the Printed Item Catalog Section 3.4.3 shall remain firm for a minimum of one week from the day of the week agreed to by the parties. All weekly Schools cost changes shall occur on a mutually agreed day of the week between the Schools and the Contractor, prior to initial ordering. Selected day will become firm unless a mutually agreed change is requested in writing. The contractor shall provide the Schools with an updated catalog to reflect the cost changes.

3.4.5 Samples. (Mandatory Requirement). The contractor shall provide the Schools with an adequate quantity of samples as reasonably determined by the Schools, free of charge, in order for the Schools to determine the most acceptable or appropriate items available to meet the Schools' needs.

3.5 ORDER PLACEMENT PROCESS

3.5.1 Operations Plan. (Mandatory Requirement). The contractor is the primary vendor for the food items. This is not an exclusive agreement; the participating Schools commit to order 65% of the total annual dollar volume from the contractor, less commodity items. Offeror shall provide a detailed Operation Plan on how the offeror will fulfill the requirements set forth in this section. Each School will work with the contractor, prior to the initial order for the school year, to finalize an Operation Plan to meet the requirements.

a) The Schools reserve the right to purchase items from other vendors on an as needed basis if the contractor cannot meet purchase requirements of the School for any reason.

3.5.2 Offeror Order System (Mandatory Requirement).

a) **Direct Order Entry.** The contractor must be able to provide a full-service direct order entry system for each of the Schools that can be run on a PC based computer, at no charge to the Schools. The system shall work via the Internet. At a minimum, all workstation software must be integrated into a single menu-driven package supporting Windows 7 and subsequent operating systems. The Schools reserve the right to require the contractor to cover or share costs associated with upgrading the Schools' computers, if required, to be able to access the contractor's system.

b) **Direct Order entry system must provide the following features:** Orders are to be placed using the appropriate account number for each specified participating School Food Service operation. Account numbers for each School Food Service are to be established prior to orders being placed at the beginning of the contract period. After the order(s) have been placed it will be the offeror's responsibility to confirm with each account that placed an order, if there is correct and sufficient inventory to ship to the Schools for the Next Scheduled Delivery. Order confirmation must be completed the same day the order is placed.

1) System must update item file on a daily basis.

- 2) System must show on-hand inventory.
 - 3) System must maintain customized order guides specific for each operation
 - 4) System is password protected.
 - 5) System has the ability to access the entire stock list of items available at the contractor's facility.
 - 6) System must display Schools cost on all items.
 - 7) System must provide online help capabilities.
 - 8) System must print a confirmation after an order is transmitted and display any out of stock items or other problems with the order.
 - 9) System must provide easy-to-use category index or look up feature.
 - 10) System must have the ability to search by offeror's Item code
 - 11) System must have the ability to search by alpha lookup for item name and/or brand name.
 - 12) The contractor must notify the Schools a minimum of one week in advance if a pack size and/or vendor stock number changes during the contract period. Provide explanation of how this notification will be completed.
 - 13) System must have the ability to search by manufacturer and display manufacturer code numbers.
 - 14) System must note which items are able to be split, including Schools cost for splits.
 - 15) System must be able to allocate inventory at the time the order is placed.
 - 16) The System must allow the Schools to input orders until 5:00 p.m. the day before the orders are to be delivered.
 - 17) The System must e-mail a post-delivery report to all accounts noting any shortages, out of stocks or substitutions to the previous day's order.
 - 18) The System must have the ability to set or change the delivery date as needed within a seven-day period for each account.
 - 19) The online order guides as displayed by the System must have identical sequencing to the printed order guides received by the Schools.
 - 20) The System must display expanded nutrition and Item information
 - 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.
 - 22) The System must have the ability to track compliance by individual School account and by total Schools usage for MCS/Schools reporting purposes.
 - 23) The System must have the ability to track compliance by individual Schools and by total MCS usage when a marketing or volume incentives program is used.
 - 24) The System must provide daily updated stock status information.
- c) **Entry System is Unavailable.** A manual call or fax system shall be established for operations emergencies, or when the order entry system is unavailable.

3.5.3 Ordering Procedures. (Mandatory Requirement). Orders will be placed by School Food Service Director (or designee) to the Contractor Account Executive (or authorized representative) via

telephone (using the Contractor's toll free number), FAX, electronic means or by submitting the order to the contractor sales associate during weekly visits, as required in section 3.3.1 (c). Orders are to be placed using the appropriate Schools account number for each specified location. Account numbers for each area are to be set up prior to orders being placed at the beginning of the contract period. After the order(s) have been placed it will be the responsibility of the Contractor Account Executive (or authorized representative) to confirm with each of the Schools' designated representatives that placed an order, whether or not there is correct and sufficient inventory to ship to the Schools for the Next Scheduled Delivery. Order confirmation must be completed the same day the order was placed. School Food Service Directors (or designee) will be able to add, change, or cancel from the existing order up until a mutually agreed upon time. Weekly order times and order confirmation deadlines are to be established between the contractor and each of the Schools

a) Order Deadlines. Provide your Order process including deadlines for order placement and changes after the deadline, consistent with the requirements of section 3.5.2 (b) above..

b) Rebate Tracking Assistance. Contractor shall provide rebate tracking usage reports upon request by the Schools. The reports shall be processed and sent to the Schools within (7) seven calendar days in either an electronic version via email or printed copy as requested. Any rebates that need to be tracked by the distributor shall be processed by the contractor and credit issued to the individual accounts. Provide details on your current rebate tracking program.

1) The contractor shall provide electronic usage reports to any outside entity designated by the Schools for incentives/volume rebates.

2) Private labeled products that are sold by the contractor shall be included on any rebate tracking requests, if that private label product is produced by the manufacturer for which the rebate is requested.

c) Quality Assurance. The contractor will provide initial training for the Schools food service personnel to ensure their understanding of the System and the ordering/receiving procedure and processes.

1) Copies of the contractor's item specifications and item manufacturers will be available for review and forwarded to the Schools Food Service Director when requested. All perishable food items shall be packaged and coded for date of preparation or expiration.

2) The Schools prefer that all food and beverage items be identified with decipherable dates (open code dates) or coded dates, as determined by the type of item delivered. The Schools prefer that upon request, the contractor provide a product code number key listing to the Schools for any coded dates. The product code number key listing should explain the actual date of production or processing. Items with open code dates should clearly show the use-by date, date of production, date of processing, sell by date, best if used by date, or similar markings.

3) Offeror will have an effective quality control/quality assurance program in place with well-established procedures that are followed to ensure a quality Prime Vendor program. Provide details of your company's quality control/quality assurance program currently in place.

d) Montana-Produced Food Products. As noted in section 3.3.11, and subject to school budgetary constraints and requirements of 18-4-132, (MCA), MCS and the Schools prefer the use of food products produced in Montana. Offeror shall inform the Schools of Montana-produced products that are available: via the printed item catalog (Section 3.4.3), the online ordering system, or by other means of contact with the Schools described in this RFP. Provide an additional plan for identification of Montana-produced products, a sample listing of the Montana-produced products available and total number of line items stocked as of May 27, 2016, and other means for notifying the Schools as new Montana-produced products are available for purchase.

e) Group Purchasing Organizations (GPO). If the contractor offers enrollment in a Group Purchasing Organization that yields considerable savings in food and related supplies, consideration will be given to proposals from contractors to establish a relationship with an affiliated GPO, in the interest of cost

savings. Offeror is to provide information on their participation with a GPO and how it would benefit the Schools.

3.6 DELIVERY PROCEDURES. The Schools and the contractor will work together to establish a delivery system based on the requirements specified below.

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, and the contractor will be required to provide delivery and service directly to each of the locations.

3.6.2 Delivery Specifications. (Mandatory Requirement). The offeror is responsible for providing any and all equipment necessary for delivery to all Schools locations.

- a) Orders mixed and delivered to one location are not acceptable.
- b) Loaded pallets (where allowed and accepted by the Schools) shall not overhang the dimensional size of 40" x 48" and should be stretch wrapped. The contractor's driver shall pick up empty pallets during the delivery process. When requested by specific Schools, loaded pallets shall not exceed 1,500 lbs. per pallet.
- c) All of the contractor's facilities and delivery vehicles must conform to local, state and federal rules and regulations regarding sanitation and are subject to inspections by the Schools or other officials at the discretion of MCS/Schools.
- d) The contractor's driver will deliver and off-load all merchandise to an area and/or refrigerators specified by the ordering unit on the inside of the building. The contractor is responsible for any equipment required.
- 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 subject to review when the delivery is opened and inventoried.
- f) The Schools will exercise reasonable judgment 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 order process and will address order compliance issues, in addition to any other means it feels is appropriate for resolution.
- g) Boxes of all refrigerated and frozen goods to be transported in temperature-controlled environments that are consistent with their recommended storage temperatures, as defined by the manufacturer standards.
- h) Boxes of chemicals must be on separate pallets and/or separated from food and food-related items.
- i) All contractor employees (i.e. delivery personnel, Distributor Sales Representatives (DSR)) shall conduct business with the Schools in a competent, courteous and professional manner. The Schools will notify the contractor of any recurrent problems and may request that the offending personnel be removed from the account.
- j) After each delivery, the contractor must pick up all unused pallets, where allowed.
- k) Contractor is responsible for all damages to facilities.

3.6.3 Delivery Schedules. (Mandatory Requirement).

a) Delivery times for each of the Schools are to be mutually agreed upon by the Schools Food Service Directors and the contractor prior to the start of the school year and maintained throughout the year.

1) In the event that a scheduled delivery is going to be late, due to unforeseen circumstances, the contractor shall notify receiving locations of circumstances and new time for delivery. The Schools will provide contact information, including phone numbers of the receiving locations will be provided by the Schools.

2) The contractor shall have a process in place to alert the Schools Food Service Directors of the pinpoint location of the contractor's delivery trucks en route to the Schools, and the time of estimated delivery. The truck/ordering tracking system shall utilize GPS or comparable tracking system and provide a means for monitoring the proximity of the delivery trucks to the Schools, such as computerized internet mapping programs commonly available via the Internet. Provide a plan for monitoring the status, location, and approximate time of delivery from the contractor's truck location to the Schools.

3) There shall be no extra charge 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 what the case count or dollar value of the order. The Schools will exercise reasonable judgment when placing small orders and will make every attempt to meet the \$400 minimum order requirement stated in this RFP and to place correct orders each time.

3.6.4 Attempted "Dead Drop" Deliveries. (Mandatory Requirement - Pass/Fail). Unauthorized attempted delivery to alternate locations, (i.e., locations other than the participating School placing the order,) unless expressly requested or approved by the Food Service Director or designee, will be refused and may be considered grounds for cancellation of the contract, and a nonresponsible determination of the contractor. Failure to comply with this requirement may preclude an offeror from future MCS RFP consideration.

3.6.5 Final Inspection and Delivery Acceptance. (Mandatory Requirement). Upon delivery, Schools staff will sign the invoice as received by number of pallets only (or piece count, if a School is unable to accept pallet deliveries.) Title to merchandise does not pass to the Schools until all pallets are unwrapped and are "checked" verifying the accuracy of the order and invoice and the quality of the products received and will then sign the invoice as received by item. This process will occur hours after the pallet(s) delivery has occurred. Any deviations or problems noted at that time will be communicated to the CAE who must have the ability to issue and authorize credits for damaged, improper, returning, or missing products at that time. The delivery personnel may be required to communicate with the Schools Food Service Director concerning product shortages or any other problems with the delivery. Any hidden deviations relating to the order that are found later will be communicated to the CAE or to an internal contractor's sales representative.

3.6.6 Emergency Temporary Storage. (Mandatory Requirement). In the event of a refrigeration crisis or special event on or off school grounds, the Schools may need the use of a refrigerated delivery trailer for temporary storage of frozen or refrigerated foods, preferably at no cost to the Schools. Describe the process your company currently uses or has used in the past for accommodating this type of special request.

3.7 PAYMENT OF PURCHASES.

3.7.1 Invoices. (Mandatory Requirement). Invoices must be sent directly to the respective Schools placing orders. Separate invoices shall accompany every delivery. Invoices must be descriptively itemized and must clearly indicate the applicable Schools contract number, delivery location, account name and number, contractor-assigned item number, pack size, amount ordered, Schools' cost, Schools' cost extension, and grand total of extensions. All invoices must be submitted in duplicate to each delivery location before payment can be authorized. Invoices are to be left with School's Food Service personnel at individual delivery locations following receipt of delivery. Both invoice copies must be on carbonless paper. All out-of-stock items shall be clearly noted on the invoice. The contractor-assigned item number, pack size, and Schools cost on the invoice must be identical to those listed in the current Item Catalog in effect at the time the items were ordered. No finance charges are to be assessed. The Schools may prefer that invoices for all

Schools accounts be available online. Offeror is to provide a current Invoice. Does the Offeror have the ability for Schools to view Invoices online? Provide the details of your invoice process.

3.7.2 Statements. (Mandatory Requirement). Contractors must provide the respective Schools monthly billing statements for each delivery location. Statements shall be sent to the Schools per the Appendix "D", Directory of Participating Schools, or to the appropriate location as directed by the Schools. Billing questions should be directed to the Business Office/Accounts Payable at the respective Schools. The Schools may prefer that statements for all Schools accounts be available online. Does the offeror have the ability for the Schools to view Statements online?

3.7.3 Audits. (Mandatory Requirement). Throughout the life of the contract, MCS reserves the right to conduct audits of contractor's invoices, freight schedules, and inventory records. Audits may be conducted up to a quarterly basis or more frequently if discrepancies are found. MCS expects full restitution to the applicable Schools of any mistakes determined to be in the favor of the Schools during an audit, and that full action be taken to correct any procedures that allowed the mistakes to happen. Requests to contractor for supporting documentation must be provided within 14 business days of request. MCS reserves the right to recover reasonable time and travel expenses if the frequency of errors result in an increase in audit activities.

3.7.4 Freight Schedule. (Mandatory Requirement). Provide a freight schedule copy as of May 27, 2016 with the RFP response.

3.7.5 Credits and Return Memo. (Mandatory Requirement). Within seven (7) days of receipt of deficient, incorrect, or damaged Item, a School will contact the Contractor Account Executive who will arrange for pick up and credit of the items(s). The School will hold the item at the original temperature and will make every attempt to promptly return the item in its original packaging. The School will dispose of any item that leaks; is infested with vermin, spoiled/damaged produce, or due to any other conditions that make storage difficult. The Contractor Account Executive (or authorized representative) will issue credit/return authorization for pickups on a minimum of once a week so that the driver can promptly pick up incorrect items and return to the contractor. A credit memo/invoice shall be completed within fourteen (14) days and forwarded to the appropriate School. MCS prefers that Credits and Return Memos for all MCS accounts be available online. Does the offeror have the ability for each school to view Credits and Return Memos online? Provide the details of Credit and Return process.

- a) The contractor shall accept returns under the following (but not be limited to) conditions:
- b) Items shipped or ordered in error
- c) Items damaged in shipment
- d) Items with concealed or latent damage
- e) Items that are recalled
- f) Items which do not meet reasonable shelf life requirements (an example of a minimum shelf life requirement would be ten (10) days from date of receipt by the appropriate school for both cup and bulk yogurt) for products that do not meet minimum quality requirements
- g) Items delivered in unsanitary delivery vehicles
- h) Items delivered that exceed the minimum/maximum specified temperature.
- i) There shall be no restocking charges for items ordered in error if the contractor regularly stocks the item. The Schools will monitor any chronic occurrences of mis-orders and will act to correct any problems.

3.7.6 Reports. (Mandatory Requirement). Contractor must be able to provide, upon request, a full range of reports as described below for all MCS accounts. Reports need to be available in printed and electronic format. To better manage the contract, MCS may require, upon request, that various accounts be divided into sub-groups or chain of accounts. The reports are mandatory. A sample of such reports must be included with the offeror submission. Offeror shall also list any other standard reports not listed, describe its typical use and provide samples. The MCS requires the following reports with additional reports upon request.

a) Monthly cumulative report tracking usage amounts of all MCS accounts by individual School, starting from July 1st of each year. Information to be sorted by four different methods: by vendor, descending dollar amount, contractor product code number and alphabetically by description.

b) Rebate tracking report for any specified time frame up to one year, by individual account, chain account with subtotal and/or global MCS account for items manufactured by a specific vendor, supplier or brand.

c) New Items report showing items that are new to the contractor's inventory.

d) Price change report showing the old price, new price and percent change of Item prices on the Schools price list. This needs to show percent change from month to month over the course of the year to illustrate market and category trends. Contractor cost changes in excess of 5%, month to month, require written justification to be submitted to MCS and the Schools.

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

f) Price change list in an Excel spreadsheet that shows current month and last month's Schools cost and a percentage of change.

g) To better manage the Prime Vendor agreement, MCS may request that various accounts be divided into sub groups. All the accounts information would be subtotaled and also would still need to be grouped under the one global account of the MCS. The Schools' fiscal year is from July 1 through June 30.

h) Minimum fields in all reports to include item description, contractor product code number, manufacturer, manufacturer product code number, pack size, brand, number of case purchased, extended purchase amounts

3.7.7 Off-Invoice Allowances. (Mandatory Requirement). Provide a detailed description and narrative for the obtaining and providing the program to MCS for all Schools food service operations. The description must include obtaining, communication, tracking, and included in the Order guide and in the System.

a) The contractor shall be aggressive in pursuing and negotiating special pricing and discounts in the form of off-invoice allowances or guaranteed costs from manufacturers. Based on the volume of purchases, this has proved to be an area of considerable savings and should be addressed with a detailed plan to accomplish as much savings as possible.

b) MCS prefers that the contractor provide summary information as needed detailing all special off-invoice allowance programs that are in place.

c) Offeror is to provide an explanation as to what type of system it has in place to solicit off-invoice allowance programs and/or advantageous guaranteed costs for schools and educational facilities.

d) Offeror is to provide an explanation of how the guaranteed cost programs would be monitored to ensure that if a guaranteed cost goes above the current cost, that the lowest net cost for that product would be passed on to the Schools.

e) Offeror is to propose any incentives that are available for prompt payment discounts of invoices after delivery so that any possible cost savings might be realized. The Schools prefer the contractor to list and describe any other variances to standard invoice pricing that might apply and how each would be handled.

f) Offer is to describe any additional distributor label allowances or other discounts that would be provided to the Schools.

3.7.8 Rebates. (Mandatory Requirement). Manufacturer rebates are defined to be, but not limited to, any discounts, refunds, rebates, inducements to buy, (and other industry jargon,) that have the effect of lowering the cost to the contractor. This lowered cost, regardless of how used by the contractor, must be identified and verified through auditable records supplied by the contractor. These records, such as printouts,

original correspondence between the contractor and manufacturer, vendor program, allowance listings, financial reports, and the like must be made routinely available to the Schools. Provide details on your current rebate programs available and explain how they would be provided to the Schools.

a) Contractor shall supply, at no cost to the Schools, monthly descending dollar purchase reports. The reports shall contain manufacturer, manufacturer item number, pack size, item description, number of cases, and extended dollar amount of units purchased. Reports shall be in the form of electronic data and/or printed reports.

b) Offeror is to describe any additional distributor label allowances or other discounts that would be provided to the Schools.

3.7.9 MCS Marketing Fee. (Mandatory Requirement). Contractor shall remit to MCS, on a monthly basis, 2.5% of the total dollar volume (contractor cost plus fixed fee) for all goods purchased by the Schools under the resulting contract. The marketing fee shall be remitted to MCS by the 12th day of the month following purchasing/invoiced activity. Portions of the marketing fee will be used in support of special events; to increase the Schools' volume buying power by marketing the cooperative purchasing program statewide; to enhance product lines to schools; and to maintain quality control in monitoring compliance with the terms of the contract. MCS reserves the right to utilize the marketing fee in any manner it deems appropriate.

3.8 MONITORING / MANAGEMENT OF PURCHASES

3.8.1 Fill Rate. (Mandatory Requirement). Contractor will provide no less than a 98.5% *fill rate* throughout the term of the contract, including approved substitutes. Fill Rate is calculated by taking the number of cases actually delivered divided by the number of cases ordered per delivery location. The final number is represented as a percentage and calculated on a year-to-date basis. Approved substitutions would be considered as shipped complete. Note: for the purpose of this agreement, the fill rate is calculated in an environment where the substitutions, as well as the originally ordered item, both remain listed on the invoice and all out-of-stock items shall be clearly noted on the invoice. The Schools will work closely with the contractor by providing menus, usage information where available, and/or any other information pertaining to its on-going and changing needs to help keep shortages to a minimum. Provide current Fill Rate as of April 30, 2016.

3.8.2 Material Safety Data Sheets. (Mandatory Requirement). Upon request, the contractor and its distributors must provide to the Schools, upon request, Material Safety Data Sheets (MSDS) for hazardous materials. The Schools prefer to have MSDS available in an electronic format that can be accessed by the various Schools. What means are currently available to provide this information to the Schools?

3.8.3 Childhood Nutrition Labeling and Documentation. (Mandatory Requirement). Childhood Nutrition (CN) labeling and documentation must be provided within two business days of request. Contractor must provide required documentation via labels and/or electronically, as requested.

3.8.4 Inspection of Contractor Facilities. (Mandatory Requirement). MCS, at its sole discretion, reserves the right to conduct an on-site inspection of any of the offeror's facilities to review all qualifications and suitability requirements.

3.9 ADDITIONAL INFORMATION

Offeror may provide additional information, including feature and functionality that is included in the proposal that is not part of the requirements. This is additional information that is not included elsewhere in the RFP response that the offeror believes supports the objective of this RFP

3.9.1 Food Cost Reduction. (Mandatory Requirement). Offeror is to describe any current plan available or one that could be developed to assist the Schools in reducing food cost while not sacrificing quality.

SECTION 4: OFFEROR QUALIFICATIONS

All subsections of Section 4 not listed in the "Instructions to Offerors" on page 3 require a response. Restate the subsection number and the text immediately prior to your written response.

4.1 MCS'S RIGHT TO INVESTIGATE AND REJECT

MCS and the Schools may make such investigations as deemed necessary to determine the offeror's ability to provide the supplies and/or perform the services specified. MCS reserves the right to reject a proposal if the information submitted by, or investigation of, the offeror fails to satisfy MCS's determination that the offeror is properly qualified to perform the obligations of the contract. *This includes MCS's ability to reject the proposal based on negative references.*

4.2 OFFEROR QUALIFICATIONS

To enable MCS to determine the capabilities of an offeror to provide the supplies and/or perform the services specified in the RFP, the offeror shall respond to the following regarding its ability to meet the Schools' requirements. **THE RESPONSE, "(OFFEROR'S NAME) UNDERSTANDS AND WILL COMPLY," IS NOT APPROPRIATE FOR THIS SECTION.**

NOTE: Each item must be thoroughly addressed. Offerors taking exception to any requirements listed in this section may be found nonresponsive or be subject to point deductions.

4.2.1 References. Offeror shall provide a minimum of five references that are currently using or have previously used offeror's Prime Vendor supplies and/or services of the type proposed in this RFP, preferably within the state of Montana, and are greater than 200 miles away and have an account executive assigned to them who performs tasks similar to those proposed in this RFP. The references may include schools, universities or state government where the offeror, preferably within the last three (3) years, has successfully completed services identified in the RFP. At a minimum, the offeror shall provide the company name, location where the supplies and/or services were provided, contact person(s), contact telephone number, e-mail address, and a complete description of the supplies and/or services provided, and dates of service. These references may be contacted to verify offeror's ability to perform the contract. MCS reserves the right to use any information or additional references deemed necessary to establish the ability of the offeror to perform the conditions of the contract. Negative references may be grounds for proposal disqualification.

4.2.2 Outstanding or Previous Litigation. Offerors shall provide MCS a list of any outstanding or previous litigation, which involved the proposed products or services offered in your RFP response. This item will not be scored, but the information may be used to determine responsibility of the offeror to perform the required services.

4.2.3 Company Profile and Experience. Offeror shall provide documentation establishing the individual or company submitting the proposal has the qualifications and experience to provide the supplies and services specified in this RFP, including, at a minimum:

- a detailed description of any similar past projects, including the supply/service type and dates the supplies and services were provided;
- the client for whom the services were provided;
- a general description of the firm including its primary source of business, organizational structure and size, number of employees, years of experience performing services similar to those described in this RFP; and,

- an organizational chart, which includes the CAE, SCME and other key contractor support personnel (including outside sales associates) involved in the management of the Prime Vendor program, identifying their positions in your organization.

4.2.4 Resumes. A resume or summary of qualifications, work experience, education, and skills must be provided for all key personnel, including CAE and SCME, who will be performing any aspects of the contract. Include years of experience providing services similar to those required; education; and certifications where applicable. Identify what role each person would fulfill in performing work identified in this RFP.

4.2.5 Oral Presentation/Product Demonstration/Interview. Offerors must be prepared to have the key personnel assigned to this project complete an oral presentation/product demonstration/interview in Helena or Great Falls, Montana. MCS reserves the right to: (1) have presentations/demonstrations/ interviews from only the two highest scoring offerors; or, (2) have presentations/demonstrations/ interviews from all offerors within 10 per cent of the highest scoring offeror; or (3) have presentations/demonstrations/ interviews from all offerors who are deemed to have a passing score prior to the presentations/demonstrations/ interviews process, at MCS's discretion.

SECTION 5: COST PROPOSAL

5.1 MARKET BASKET COMPLETION INSTRUCTIONS (for Appendix C)

Offeror must provide pricing and a Fixed Fee for all items on the Market Basket Forms to be considered responsive. Follow the instructions provided below to complete the Forms

Contractor will stock all items required by the Schools to operate, with and without any minimum usage requirements. For the 2015-2016 school year, thus far, the Schools used approximately 4200 different line items. The Schools will take into consideration this fact and work with the contractor to minimize stocking the slowest used items.

5.1.1 Item Specifications: Offeror line item product response must meet or exceed the specification. Brand names and descriptions provide the standard for establishing minimum acceptable quality. Competitive items must meet or exceed the brand/model specified. MCS shall be the sole judge of product equivalency. Offerors may be required to furnish representative samples and/or descriptive literature to support offeror's claims of equivalency in order to be considered for evaluation. Quantities and dollar amounts listed are estimates only, based on historical usage, and are not an ordering commitment on behalf of MCS or the Schools. Failure to submit an offer on all items may result in a nonresponsive determination.

5.1.2 Schools Usage: Item **A** on the market basket worksheet. These amounts are estimates only, based on actual usage for the nine-month period of July 1, 2015 – April 1, 2016.

5.1.3 Invoice Cost: Item **B** on the market basket worksheets. Defined as the Offeror's invoice costs less any off invoice allowances and excluding any prompt payment discounts.

5.1.4 Freight Cost: Item **C** on the market basket worksheets. Offeror must write in any freight cost, if charged, to offeror's docks.

5.1.5 Fixed Fee: Item **D** on the market basket worksheets. Offeror must write in Offeror fixed fee amount for each line item in the unit of measurement as indicated. The fixed fee is to be in dollars and cents, not a percentage. Percentage amounts are not acceptable.

5.1.6 Pack Size: Offeror must write in the pack size, as indicated by the Schools usage.

5.1.7 Brand & Product Code Number: List product brand regardless if a brand is specified and the product code number.

5.1.8 MCS Cost: Item **E** on the market basket worksheets. Extension of the "invoice cost" plus "freight cost" if any, plus "fixed fee" (B + C + D of the market basket).

5.1.9 Extended MCS Cost: Item **F** on the market basket worksheets. Multiply the "MCS cost" times the "MCS usage" (A x E of the market basket).

5.1.10 MCS Cost Grand Total: Located on the last page of the Market basket, Offeror must enter the grand total of all the individual MCS extensions in the space provided on the last page of the worksheet.

5.1.11 Drop Ship Discounts. Provide details for the type of additional discounts offered on Drop Ships. Since the offeror is not actually handling the Special Order Items, MCS prefers a reduced percent markup for such an arrangement. The reduction would be taken off the normal markup for the category of product being drop shipped. This is not included in the calculation for evaluation purposes.

5.1.12 Transition Assistance. If there is a change from the incumbent to a new contractor, the new contractor will pay MCS \$10,000 on or before July 31, 2016 as per Section 3.2.15.

5.2 COST VERIFICATION

The offeror shall validate the offeror cost by furnishing a copy of an invoice, or a broker, or manufacturer's written confirmation of either a guaranteed cost or a guaranteed bill back for any item listed in the market

basket as requested by MCS during the evaluation process. Failure to do so in a timely manner (72 hours) or failure to adequately validate any offeror cost shall eliminate the offeror from further evaluation.

5.3 PRICE OF FOOD ITEMS AND FOOD SUPPLIES

The offeror shall provide a commitment for the fixed fee markup to the cost of food items based on the terms of the contract and any renewals. Each offeror shall identify a proposed pricing structure according to the proposal pricing method as identified in Section 5.0 Cost Proposal. Pricing commitments are made without regard to the Schools' operations or community where items are sold or served. The price of item shall include transportation costs and delivery charges F.O.B. destination. No additional charges will be allowed for packing, unloading, storage, stocking or partial shipments. Fuel charges will not be allowed or considered initially; MCS reserves the right to consider temporary fuel surcharges with the contractor in the event of significant increases in the cost of diesel fuel. Prices shall include any container return allowances that may be in effect.

SECTION 6: EVALUATION PROCESS

6.1 BASIS OF EVALUATION

The evaluator/evaluation committee will review and evaluate the offers according to the following criteria based on a total number of 5,000 points.

The **Offeror Service Requirements, References, Resumes/Company Profile and Experience**, portions of the offer will be evaluated based on the following Scoring Guide. The **Current or Past Litigation** portion of the offer will be evaluated on an unscored basis, but the information may be used to determine responsibility of the offeror to perform the required services. The **Cost Proposal** will be evaluated based on the formula set forth below.

Any response that fails to achieve a passing score per the requirements of Section 2.4 and 2.5 will be eliminated from further consideration. A "fail" for any individual evaluation criterion may result in proposal disqualification at the discretion of the procurement officer.

SCORING GUIDE

In awarding points to the evaluation criteria, the evaluator/evaluation committee will consider the following guidelines:

Superior Response (90-100%): A superior response is a highly comprehensive, excellent reply that meets all of the requirements of the RFP. In addition, the response may cover areas not originally addressed within the RFP and/or include additional information and recommendations that would prove both valuable and beneficial to the agency.

Good Response (75-89%): A good response meets all the requirements of the RFP and demonstrates in a clear and concise manner a thorough knowledge and understanding of the project, with no deficiencies noted.

Fair Response (60-74%): A fair response minimally meets most requirements set forth in the RFP. The Offeror demonstrates some ability to comply with guidelines and requirements of the project, but knowledge of the subject matter is limited.

Failed Response (59% or less): A failed response does not meet the requirements set forth in the RFP. The Offeror has not demonstrated sufficient knowledge of the subject matter.

6.2 EVALUATION CRITERIA

Offeror Service Requirements	Section of RFP	44% of points for a possible 2,215 points
		Point Value
A. Offeror Service Requirements	3.3	500
B. Purchasing Requirements	3.4	400
C. Order Placement Process	3.5	400
D. Delivery Procedures	3.6	650
E. Payment of Purchases	3.7	200
F. Monitoring / Management of Purchases	3.8	50
G. Additional Information	3.9	15

Offeror Qualifications	Section of RFP	6% of points for a possible 285 points	Point Value
A. References (with complete contact information)	4.2.1		60
B. Outstanding or Previous Litigation	4.2.2		(Not scored)
C. Company Profile and Experience	4.2.3		115
D. Resumes and Experience	4.2.4		110

Cost Proposal	Section of RFP	50 % of points for a possible 2,500 points
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#	Category	Spreadsheet Tab	Market Basket Items - Points	Non-Market Basket Items (Gray Tab) - Points	Total Point Value
1	Beverages	Red	30	130	160
2	Disposables	Yellow	130	130	260
3	Dry Groceries	Blue	130	130	260
4	Frozen Miscellaneous	Green	130	130	260
5	Frozen Protein	Orange	130	130	260
6	Frozen Fruits-Vegetables	Purple	130	130	260
7	Fruits-Vegetables-Juices	Brown	130	130	260
8	Refrigerated	Dark Red	130	130	260
9	Produce	Gray	N/A	130	130
10	Janitorial – Chemicals	Gray	N/A	130	130
11	Shortening – Oil	Gray	N/A	130	130
12	Supplies – Equipment	Gray	N/A	130	130
				TOTAL:	2,500

6.2.1 COST POINT CALCULATION

a) MARKET BASKET ITEM CATEGORIES:

For each of the 8 **Market Basket Item Categories**, the offeror with the lowest market basket cost total for the “Extended MCS Cost” (F) will receive the Market Basket points allocated for that category.

b) NON-MARKET BASKET ITEM CATEGORIES - FIXED FEE MARKUP:

For each of the 12 **Non-Market Basket Item Categories** (Spreadsheet – Gray Tab) the offeror with the lowest non-Market Basket Fixed Fee will receive the Non-Market Basket Item points allocated for each category.

The Market Basket Items Total Points and the Non-Market Basket Items Fixed Fee Total Points will be added together for each offeror and compared. The offeror with the highest number of points will receive the maximum points available. All other offerors will receive a percentage of points available based on their relationship to the highest score.

The following formula will be used in determining all points for each offeror:

Example: Total possible points for cost are 2,500. Offeror A's cost score is 2,000 points; Offeror B's cost score is 1,340 points. Offeror A would receive the maximum 2,500 points, Offeror B would receive 1,675 points $((1,340/2,000) = 67\% \times 2,500 \text{ points} = 1,675)$.

Points for Lowest Cost Responsive Offeror x Number of available points = Award Points
This Offeror's Total Points

APPENDIX A: RFP STANDARD TERMS AND CONDITIONS

ACCEPTANCE/REJECTION OF BIDS, PROPOSALS, OR LIMITED SOLICITATION RESPONSES:

MCS reserves the right to accept or reject any or all bids, proposals, or limited solicitation responses, wholly or in part, and to make awards in any manner deemed in the best interest of MCS. Bids, proposals, and limited solicitation responses will be firm for 120 days, unless stated otherwise in the text of the invitation for bid, request for proposal, or limited solicitation.

ALTERATION OF SOLICITATION DOCUMENT: In the event of inconsistencies or contradictions between language contained in the MCS solicitation document and a vendor's response, the language contained in the MCS original solicitation document will prevail. Intentional manipulation and/or alteration of solicitation document language will result in the vendor's disqualification and possible debarment.

DEBARMENT: Contractor certifies, by submitting this bid or proposal, that neither it nor its principals are presently debarred, suspended, proposed for debarment, declared ineligible, or voluntarily excluded from participation in this transaction (contract) by any school, educational institution, governmental department or agency. If Contractor cannot certify this statement, attach a written explanation for review by MCS.

FAILURE TO HONOR BID/PROPOSAL: If a bidder/offeror to whom a contract is awarded refuses to accept the award (PO/contract) or fails to deliver in accordance with the contract terms and conditions, MCS may, in its discretion, suspend the bidder/offeror for a period of time from entering into any contracts with MCS and may seek other relief permitted under Montana law.

SOLICITATION DOCUMENT EXAMINATION: Vendors shall promptly notify MCS of any ambiguity, inconsistency, or error which they may discover upon examination of a solicitation document.

APPENDIX B: CONTRACT

Food Product Supplier Contract Between MCS And

THIS CONTRACT is entered into by and between Montana Cooperative Services, LLC, (MCS), whose address and phone number are PO Box 1612, Helena, Montana, 59624-1612, telephone (406) 443-2629 and (insert name of contractor), (Contractor), whose address and phone number are (insert address) and (insert phone number).

1. EFFECTIVE DATE, DURATION, AND RENEWAL

1.1 Contract Term. The Contract's initial term is July 1, 2016 through June 30, 2017, unless terminated earlier as provided in this Contract. In no event is this Contract binding on MCS unless MCS's authorized representative has signed it. The legal counsel signature approving legal content of the Contract and the procurement officer signature approving the form of the Contract do not constitute an authorized signature.

1.2 Contract Renewal. MCS may renew this Contract under its then-existing terms and conditions (subject to potential cost adjustments described below in section 2) in one-year intervals, or any interval that is advantageous to MCS.

2. COST ADJUSTMENTS

2.1 Cost Increase by Mutual Agreement. The Contractor shall provide a commitment for the fixed fee markup to the cost of food and related items, based on the terms of the contract and any renewals. After the Contract's initial term and if MCS agrees to a renewal, the parties may agree upon a cost increase. MCS is not obligated to agree upon a renewal or a cost increase. Any cost increases must be based on demonstrated industry-wide or regional increases in Contractor's costs. Publications such as the Federal Bureau of Labor Statistics and the Consumer Price Index (CPI) for all Urban Consumers may be used to determine the increased value.

3. SERVICES AND/OR SUPPLIES

Contractor shall provide MCS with primary food supplier services of the stated product categories and services to approximately 200 Montana schools ordering on a weekly, biweekly or monthly basis, and providing the following: maintain a high quality program for warehousing and distribution to ensure that first-in, first-out principles are used; product shelf life is monitored; products are free of damage; correct products and quantities are selected and delivered timely, at the correct price, product discrepancies; complaints are resolved; corrective action is initiated, customer satisfaction is monitored; supplier FDA or DOD initiated food recalls are promptly reported; and salvaged products are not used.

4. WARRANTIES

Contractor warrants that items offered will conform to the specifications requested, to be fit and sufficient for the purpose manufactured, of good material and workmanship and free from defect. Items offered must be new and unused and of the latest model or manufacture, unless otherwise specified by MCS or one of its member Schools. They shall be equal in quality and performance to those indicated herein. Descriptions used

herein are specified solely for the purpose of indicating standards of quality, performance and/or use desired. Exceptions will be rejected.

5. CONSIDERATION/PAYMENT

5.1 Payment Schedule. In consideration for the food and related supplies to be provided, the Schools shall pay according to the following schedule: **(insert)**.

All payment terms will be computed from the date of acceptance of supplies or services OR receipt of a properly executed invoice, whichever is later. Unless otherwise noted, the Schools are allowed 30 days to pay such invoices. All contractors may be required to provide banking information at the time of Contract execution in order to facilitate electronic funds transfer payments.

Throughout the life of the Contract MCS reserves the right to conduct audits of Contractor's invoices, freight schedules, and inventory records. Audits may be conducted up to a quarterly basis or more frequently if discrepancies are found. Contractor will make full restitution of any mistakes determined to be in the favor of the Schools during an audit, and that full action be taken to correct any procedures that mitigate any future mistakes.

5.2 Withholding of Payment. In addition to their other remedies under this Contract, at law, or in equity, the Schools may withhold payments to the Contractor if the Contractor has breached this Contract. Such withholding may not be greater than, in the aggregate, **(insert %)**% of the total value of the subject statement of work or applicable contract.

5.3 Tax Exemption. The Schools are exempt from Federal Excise Taxes (TIN numbers to be provided to the Contractor).

5.4 Shipping: Supplies shall be shipped prepaid, F.O.B. Destination, unless this Contract specifies otherwise.

5.5 Reference to Contract. The Contract number MUST appear on all invoices, packing lists, packages, and correspondence pertaining to the Contract. If the number is not provided, State is not obligated to pay the invoice.

6. ACCESS AND RETENTION OF RECORDS

6.1 Access to Records. Contractor shall provide MCS, the Schools, or their authorized agents access to any records necessary to determine Contract compliance. MCS may terminate this Contract under section 14, Contract Termination, without incurring liability, for Contractor's refusal to allow access as required by this section. (18-1-118, MCA.)

6.2 Retention Period. Contractor shall create and retain all records supporting the **(insert services rendered or supplies provided)** for a period of eight years after either the completion date of this Contract or termination of the Contract.

7. ASSIGNMENT, TRANSFER, AND SUBCONTRACTING

Contractor may not assign, transfer, or subcontract any portion of this Contract without MCS's prior written consent. (18-4-141, MCA) Contractor is responsible to MCS for the acts and omissions of all subcontractors or agents and of persons directly or indirectly employed by such subcontractors, and for the acts and omissions of persons employed directly by Contractor. No contractual relationships exist between any subcontractor and MCS under this Contract.

8. HOLD HARMLESS/INDEMNIFICATION

Contractor agrees to protect, defend, and save MCS and the Schools, their elected and appointed officials, agents, and employees, while acting within the scope of their duties as such, harmless from and against all claims, demands, causes of action of any kind or character, including the cost of defense thereof, arising in favor of Contractor's employees or third parties on account of bodily or personal injuries, death, or damage to property arising out of services performed or omissions of services or in any way resulting from the acts or omissions of Contractor and/or its agents, employees, representatives, assigns, subcontractors, except the sole negligence of MCS and the Schools, under this Contract.

9. REQUIRED INSURANCE

9.1 General Requirements. Contractor shall maintain for the duration of this Contract, at its cost and expense, insurance against claims for injuries to persons or damages to property, including contractual liability, which may arise from or in connection with the performance of the work by the Contractor, agents, employees, representatives, assigns, or subcontractors. This insurance shall cover such claims as may be caused by any negligent act or omission.

9.2 Primary Insurance. Contractor's insurance coverage shall be primary insurance with respect to the MCS and the Schools, their officers, officials, employees, and volunteers and shall apply separately to each project or location. Any insurance or self-insurance maintained by MCS and/or the Schools, its officers, officials, employees or volunteers shall be excess of the Contractor's insurance and shall not contribute with it.

9.3 Specific Requirements for Commercial General Liability. Contractor shall purchase and maintain occurrence coverage with combined single limits for bodily injury, personal injury, and property damage of \$1,000,000 per occurrence and \$2,000,000 aggregate per year to cover such claims as may be caused by any act, omission, or negligence of Contractor or its officers, agents, representatives, assigns or subcontractors.

MCS and the Schools, their officers, officials, employees, and volunteers are to be covered and listed as additional insureds for liability arising out of activities performed by or on behalf of the Contractor, including the insured's general supervision of Contractor, products, and completed operations, and the premises owned, leased, occupied, or used.

9.4 Specific Requirements for Automobile Liability. Contractor shall purchase and maintain coverage with split limits of \$500,000 per person (personal injury), \$1,000,000 per accident occurrence (personal injury), and \$100,000 per accident occurrence (property damage), OR combined single limits of \$1,000,000 per occurrence to cover such claims as may be caused by any act, omission, or negligence of Contractor or its officers, agents, representatives, assigns, or subcontractors.

MCS and the Schools, their officers, officials, employees, and volunteers are to be covered and listed as additional insureds for automobiles leased, hired, or borrowed by the Contractor.

9.5 Deductibles and Self-Insured Retentions. Any deductible or self-insured retention must be declared to and approved by MCS. At the request of MCS either: (1) the insurer shall reduce or eliminate such deductibles or self-insured retentions as respects the MCS and/or the Schools, their officers, officials, employees, or volunteers; or (2) at the expense of the Contractor, the Contractor shall procure a bond guaranteeing payment of losses and related investigations, claims administration, and defense expenses.

9.6 Certificate of Insurance/Endorsements. A certificate of insurance from an insurer with a Best's rating of no less than A- indicating compliance with the required coverages has been received by MCS, P.O. Box 1612, Helena, Montana, 59624. *The certificates must name MCS and the Schools as certificate holder and Contractor shall provide copies of additional insured endorsements required by Contractor's commercial general liability and automobile liability policies.* Contractor must notify MCS immediately of any

material change in insurance coverage, such as changes in limits, coverages, change in status of policy, etc. MCS reserves the right to require complete copies of insurance policies at all times.

10. COMPLIANCE WITH WORKERS' COMPENSATION ACT

Contractor shall comply with the provisions of the Montana Workers' Compensation Act while performing work for MCS and/or the Schools in accordance with 39-71-401, 39-71-405, and 39-71-417, MCA. Proof of compliance must be in the form of workers' compensation insurance, an independent contractor's exemption, or documentation of corporate officer status. Neither Contractor nor its employees are MCS or Schools employees. This insurance/exemption must be valid for the entire Contract term and any renewal. Upon expiration, a renewal document must be sent to MCS, P.O. Box 1612, Helena, Montana, 59624.

11. COMPLIANCE WITH LAWS

Contractor shall, in performance of work under this Contract, fully comply with all applicable federal, state, or local laws, rules, regulations, and executive orders including but not limited to, the Montana Human Rights Act, the Equal Pay Act of 1963, the Civil Rights Act of 1964, the Age Discrimination Act of 1975, the Americans with Disabilities Act of 1990, and Section 504 of the Rehabilitation Act of 1973. Contractor is the employer for the purpose of providing healthcare benefits and paying any applicable penalties, fees and taxes under the Patient Protection and Affordable Care Act [P.L. 111-148, 124 Stat. 119]. Any subletting or subcontracting by Contractor subjects subcontractors to the same provisions. In accordance with 49-3-207, MCA, and Executive Order No. 04-2016 Contractor agrees that the hiring of persons to perform this Contract will be made on the basis of merit and qualifications and there will be no discrimination based on race, color, sex, pregnancy, childbirth or medical conditions related to pregnancy or childbirth, political or religious affiliation or ideas, culture, creed, social origin or condition, genetic information, sexual orientation, gender identity or expression, national origin, ancestry, age, disability, military service or veteran status, or marital status by the persons performing this Contract.

12. DISABILITY ACCOMMODATIONS

MCS and the Schools do not discriminate on the basis of disability in admission to, access to, or operations of its programs, services, or activities. Individuals who need aids, alternative document formats, or services for effective communications or other disability related accommodations in the programs and services offered are invited to make their needs and preferences known to this office. Interested parties should provide as much advance notice as possible.

13. REGISTRATION WITH THE SECRETARY OF STATE

Any business intending to transact business in Montana must register with the Secretary of State. Businesses that are incorporated in another state or country, but which are conducting activity in Montana, must determine whether they are transacting business in Montana in accordance with 35-1-1026 and 35-8-1001, MCA. Such businesses may want to obtain the guidance of their attorney or accountant to determine whether their activity is considered transacting business.

If businesses determine that they are transacting business in Montana, they must register with the Secretary of State and obtain a certificate of authority to demonstrate that they are in good standing in Montana. To obtain registration materials, call the Office of the Secretary of State at (406) 444-3665, or visit their website at <http://sos.mt.gov>.

14. CONTRACT TERMINATION

14.1 Termination for Cause with Notice to Cure Requirement. MCS may terminate this Contract in whole or in part for Contractor's failure to materially perform any of the services, duties, terms, or conditions contained in this Contract after giving Contractor written notice of the stated failure. The written notice must demand performance of the stated failure within a specified period of time of not less than 20 days. If the demanded performance is not completed within the specified period, the termination is effective at the end of the specified period.

14.2 Termination for Cause with Notice to Cure Requirement. Contractor may terminate this Contract for MCS and/or the Schools' failure to perform any of its duties under this Contract after giving MCS written notice of the failure. The written notice must demand performance of the stated failure within a specified period of time of not less than 90 days. If the demanded performance is not completed within the specified period, the termination is effective at the end of the specified period.

14.3 Reduction of Funding. MCS must by law terminate this Contract if funds are not appropriated or otherwise made available to support the Schools' continuation of performance of this Contract in a subsequent fiscal period. (18-4-313(4), MCA) If state or federal government funds are not appropriated or otherwise made available through the Schools budgeting process to support continued performance of this Contract (whether at an initial contract payment level or any contract increases to that initial level) in subsequent fiscal periods, MCS shall terminate this Contract as required by law. MCS shall provide Contractor the date MCS's termination shall take effect. MCS shall not be liable to Contractor for any payment that would have been payable had the Contract not been terminated under this provision. As stated above, MCS shall be liable to Contractor only for the payment, or prorated portion of that payment, owed to Contractor up to the date MCS's termination takes effect. This is Contractor's sole remedy. MCS shall not be liable to Contractor for any other payments or damages arising from termination under this section, including but not limited to general, special, or consequential damages such as lost profits or revenues.

15. EVENT OF BREACH – REMEDIES

15.1 Event of Breach by Contractor. Any one or more of the following Contractor acts or omissions constitute an event of material breach under this Contract:

- Products or services furnished fail to conform to any requirement;
- Failure to submit any report required by this Contract;
- Failure to perform any of the other terms and conditions of this Contract, including but not limited to beginning work under this Contract without prior MCS approval or breaching obligations; or
- Voluntary or involuntary bankruptcy or receivership.

15.2 Event of Breach by MCS and/or the Schools. MCS's and/or the Schools' failure to perform any material terms or conditions of this Contract constitutes an event of breach.

15.3 Actions in Event of Breach. Upon Contractor's material breach, MCS may:

- Terminate this Contract under Section 14.1, Termination for **[Cause or Convenience]** and pursue any of its remedies under this Contract, at law, or in equity; or
- Treat this Contract as materially breached and pursue any of its remedies under this Contract, at law, or in equity.

Upon MCS's and/or the Schools' material breach, Contractor may:

- Terminate this Contract under section 14.2, Termination for Cause with Notice to Cure, and pursue any of its remedies under this Contract, at law, or in equity; or

- Treat this Contract as materially breached and, except as the remedy is limited in this Contract, pursue any of its remedies under this Contract, at law, or in equity.

16. FORCE MAJEURE

Neither party is responsible for failure to fulfill its obligations due to causes beyond its reasonable control, including without limitation, acts or omissions of government or military authority, acts of God, materials shortages, transportation delays, fires, floods, labor disturbances, riots, wars, terrorist acts, or any other causes, directly or indirectly beyond the reasonable control of the nonperforming party, so long as such party uses its best efforts to remedy such failure or delays. A party affected by a force majeure condition shall provide written notice to the other party within a reasonable time of the onset of the condition. In no event, however, shall the notice be provided later than five working days after the onset. If the notice is not provided within the five-day period, then a party may not claim a force majeure event. A force majeure condition suspends a party's obligations under this Contract, unless the parties mutually agree that the obligation is excused because of the condition. A party claiming force majeure shall work diligently to resolve the condition to the extent that it is able to do so.

17. WAIVER OF BREACH

Either party's failure to enforce any contract provisions after any event of breach is not a waiver of its right to enforce the provisions and exercise appropriate remedies if the breach occurs again. Neither party may assert the defense of waiver in these situations.

18. CONFORMANCE WITH CONTRACT

No alteration of the terms, conditions, delivery, price, quality, quantities, or specifications of the Contract shall be granted without the MCS's prior written consent. Product or services provided that do not conform to the Contract terms, conditions, and specifications may be rejected and returned at Contractor's expense.

19. LIAISONS AND SERVICE OF NOTICES

19.1 Contract Liaisons. All project management and coordination on MCS's behalf must be through a single point of contact designated as MCS's liaison. Contractor shall designate a liaison that will provide the single point of contact for management and coordination of Contractor's work. All work performed under this Contract must be coordinated between MCS's liaison and Contractor's liaison.

19.2 Notifications. MCS's liaison and Contractor's liaison may be changed by written notice to the other party. Written notices, requests, or complaints must first be directed to the liaison. Notice may be provided by personal service, mail, or facsimile. If notice is provided by personal service or facsimile, the notice is effective upon receipt; if notice is provided by mail, the notice is effective within three business days of mailing. A signed and dated acknowledgement of the notice is required of both parties.

19.3 Identification/Substitution of Personnel. The personnel identified or described in Contractor's proposal shall perform the services provided for MCS under this Contract. Contractor agrees that any personnel substituted during the term of this Contract must be able to conduct the required work to industry standards and be equally or better qualified than the personnel originally assigned. MCS reserves the right to approve Contractor personnel assigned to work under this Contract and any changes or substitutions to such personnel. MCS's approval of a substitution will not be unreasonably withheld. This approval or disapproval shall not relieve Contractor to perform and be responsible for its obligations under this Contract. MCS reserves the right to require Contractor personnel replacement. If Contractor personnel become unavailable, Contractor shall provide an equally qualified replacement in time to avoid delays to the work plan. The Contractor shall at all times be considered to be an independent contractor. Nothing in this Agreement shall be construed to create an employment relationship, joint venture, partnership or any other business association between the parties.

20. MEETINGS

20.1 Contractor shall meet with MCS's personnel, or designated representatives, to resolve technical or contractual problems occurring during the Contract term or to discuss the progress made by Contractor and MCS in the performance of their respective obligations, at no additional cost to MCS. MCS may request the meetings as problems arise and will be coordinated by MCS. MCS shall provide Contractor a minimum of three full working days' notice of meeting date, time, and location. Face-to-face meetings are desired; however, at Contractor's option and expense, a conference call meeting may be substituted. Contractor's consistent failure to participate in problem resolution meetings, Contractor missing or rescheduling two consecutive meetings, or Contractor's failure to make a good faith effort to resolve problems may result in termination of the Contract.

20.2 Business Meetings. Contractor shall participate in a business review meeting with the MCS a minimum of once a year. The purpose of the review will be for both parties to discuss: updates of coming events and changes, contract terms and compliance issues, overall management of the Prime Vendor Program, new products and market trends, and any other matters or future opportunities which will enhance the MCS/Contractor alliance.

21. CONTRACTOR PERFORMANCE ASSESSMENTS

MCS may do assessments of the Contractor's performance. This Contract may be terminated for one or more poor performance assessments. Contractors will have the opportunity to respond to poor performance assessments. MCS will make any final decision to terminate this Contract based on the assessment and any related information, the Contractor's response and the severity of any negative performance assessment. The Contractor will be notified with a justification of Contract termination. Performance assessments may be considered in future solicitations.

22. TRANSITION ASSISTANCE

If this Contract is not renewed at the end of this term, if the Contract is otherwise terminated before project completion, or if particular work on a project is terminated for any reason, Contractor shall provide transition assistance for a reasonable, mutually agreed period of time after the expiration or termination of this Contract or particular work under this Contract. The purpose of this assistance is to allow for the expired or terminated portion of the services to continue without interruption or adverse effect, and to facilitate the orderly transfer of such services to MCS or its designees. The parties agree that such transition assistance is governed by the terms and conditions of this Contract, except for those terms or conditions that do not reasonably apply to such transition assistance. MCS shall pay Contractor for any resources utilized in performing such transition assistance at the most current Contract rates. If MCS terminates a project or this Contract for cause, then MCS may offset the cost of paying Contractor for the additional resources Contractor utilized in providing transition assistance with any damages MCS may have sustained as a result of Contractor's breach.

23. CHOICE OF LAW AND VENUE

Montana law governs this Contract. The parties agree that any litigation concerning this bid, proposal, or this Contract must be brought in the First Judicial District in and for the County of Lewis and Clark, State of Montana, and each party shall pay its own costs and attorney fees.

24. SEVERABILITY

A declaration by any court or any other binding legal source that any provision of the Contract is illegal and void shall not affect the legality and enforceability of any other provision of the Contract, unless the provisions are mutually and materially dependent.

25. SCOPE, AMENDMENT AND INTERPRETATION

25.1 Contract. This Contract consists of **(insert number)** numbered pages, any Attachments as required, RFP #16-01, as amended and the Contractor's RFP response as amended. In the case of dispute or ambiguity about the minimum levels of performance by the Contractor the order of precedence of document interpretation is in the same order.

25.2 Entire Agreement. These documents contain the entire agreement of the parties. Any enlargement, alteration or modification requires a written amendment signed by both parties.

25.3 Severability Clause. A declaration by any court, or any binding legal source, that any provision of this Contract is illegal and void shall not affect the legality and enforceability of any other provision of this Contract, unless the provisions are mutually dependant.

26. EXECUTION

The parties through their authorized agents have executed this Contract on the dates set out below.

MONTANA COOPERATIVE SERVICES, LLC

(Insert Address)

(Insert City, State, Zip)

(INSERT CONTRACTOR'S NAME)

(Insert Address)

(Insert City, State, Zip)

FEDERAL ID #

BY: _____
(Name/Title)

BY: _____
(Name/Title)

(Signature)

(Signature)

DATE: _____

DATE: _____

Approved as to Legal Content:

Legal Counsel (Date)

Approved as to Form:

Procurement Officer, MCS (Date)

APPENDIX C: MARKET BASKET

Each market basket is an itemized listing of the Schools' largest volume usage items in the specified major categories:

Beverages	Red Tab	Appendix C, RFP # 16-01
Disposables	Yellow Tab	Appendix C, RFP # 16-01
Dry Groceries	Blue Tab	Appendix C, RFP # 16-01
Frozen Miscellaneous	Green Tab	Appendix C, RFP # 16-01
Frozen Protein	Orange Tab	Appendix C, RFP # 16-01
Frozen Fruits - Vegetables	Purple Tab	Appendix C, RFP # 16-01
Fruits - Vegetables - Juice	Brown Tab	Appendix C, RFP # 16-01
Refrigerated	Dark Red Tab	Appendix C, RFP # 16-01
Misc. Non-Market Basket Item Categories	Gray Tab	Appendix C, RFP # 16-01

Each offeror is to complete the market basket and the miscellaneous fixed fee markup schedule for each category as specified in Section 5 of this RFP, and points will be awarded for each category as described in Section 6 of this RFP.

The market basket is attached to this RFP in a Microsoft Excel Workbook, which contains 9 spreadsheets.

APPENDIX D: DIRECTORY OF PARTICIPATING MCS SCHOOLS

The Directory of Participating MCS Schools is attached to this RFP in a Microsoft Excel Workbook, which contains 1 spreadsheet.