



ADDENDUM TO RFP # 1218-18/19

Date: 5/1/2019

Project: Frozen and Refrigerated Food distribution for The San Gabriel Valley Food Services Cooperative Purchasing Group

From: Vivien Watts, Director of Business Services

Addendum Number: 1

THIS ADDENDUM IS ISSUED AS PART OF THE CONTRACT DOCUMENTS FOR THIS PROJECT AND AMENDS ONLY THOSE ITEMS SPECIFICALLY DEFINED HEREIN. THIS ADDENDUM MUST BE ACKNOWLEDGED ON THE BID/PROPOSAL FORM. YOUR FAILURE TO DO SO MAY RENDER YOUR BID/PROPOSAL NON-RESPONSIVE.

The following revisions shall be included in the RFP document:

- I. Distributors responding to this RFP must meet requirements per USDA Memo FD-119. This memo is included in the appendix section.
- II. Market Basket
Items listed in the proposal form represent 75% or greater of the contract value.
- III. Off Bid Items
Member districts in the San Gabriel Valley Food Services Cooperative Purchasing Group (Co-Op) may purchase items not listed in the proposal form. Those items shall not make up more than 10% of the total contract value.

The winning distributor shall provide a monthly report of off-bid items purchased from member district. This report shall list the item(s) and the value of total purchase by district and by Co-Op in order for the lead district to monitor the contract.

- IV. Proposed prices on the proposal form are prices that the district will be billed/invoiced. This price must be the final price, including all charges such as the delivery charges.
- V. Evaluation criteria is revised as the following:
 4. Sustainability (15 points)
Bidder should have an integrated operation including evidences that the proposing firm will continue to operate successfully throughout the term of any Perishable contract it accepts.

Bidder should have a robust level of financial capability sufficient to handle contracts as large as any Perishable Contract is likely to be and on a multi-year basis. Bidder should show evidence of an integrated system to ensure food safety.

5. Geographic Preference (5 points)

Bidder should show evidence of social responsibility, for example, to provide economic opportunity for San Gabriel Valley residents and businesses and stimulate economic development in the local area.

The following revision shall be included in the contract agreement under the section of PRICE ADJUSTMENTS.

The contract price (which can include General and Administrative Expense and Management Fees) may be increased on an annual basis by the Yearly Percentage Change in the Consumer Price Index for All Urban Consumers, as published by the U.S. Department of Labor, Bureau of Labor Statistics, Food Eaten Away from Home [CPI regional index](#): Los Angeles (CPI). Such increases shall be effective on a prospective basis on each anniversary date of this Contract and will be allowed only if approved in advance by the Co-Op. CPI Fee increases for the upcoming Contract renewal year must be submitted to the Co-Op.

The renegotiation of price terms under this Contract is permitted only upon the occurrence of unpredictable, unexpected conditions beyond the control of both parties. If those conditions create a significant and material change in the financial assumptions upon which the price terms of this contract were based, then those price terms so affected may be renegotiated by both parties. Renegotiation of price terms under such conditions must be mutual and both parties must agree on any changes in price terms. Any adjustments so negotiated and agreed upon must accurately reflect the change in conditions. The occurrence of contingencies that are foreseeable and predictable, but not certain, should be calculated into the defined price terms, to the extent possible, with the goal of minimizing the need for renegotiation of price terms during the term of the Contract. Substantive changes of the Contract will require the Co-Op to rebid the Contract.

The following document is added to the appendix.

USDA Memo FD-119 Soliciting Bids from Commercial Distributors for End Products

End of Addendum