

AMENDMENT OF SOLICITATION/MODIFICATION OF CONTRACT

1. CONTRACT ID CODE

PAGE OF PAGES
1 63

2. AMENDMENT/MODIFICATION NO.
0001

3. EFFECTIVE DATE
JUNE 21, 1999

4. REQUISITION/PURCHASE REQ. NO.

5. PROJECT NO. (If applicable)

6. ISSUED BY CODE

7. ADMINISTERED BY (If other than Item 6) CODE

DEFENSE SUPPLY CENTER PHILADELPHIA
DIRECTORATE OF SUBSISTENCE
700 ROBBINS AVENUE - BLDG 6
PHILADELPHIA, PA 19111-5092
ATTN: DSCP-HFVH (S. MEMINGER/215-737-4275)

SAME AS BLOCK #6

8. NAME AND ADDRESS OF CONTRACTOR (No., street, county, State and ZIP Code)

(X) 9A. AMENDMENT OF SOLICITATION NO.
SP0300-99-R-4014

X 9B. DATED (SEE ITEM 11)
MAY 27, 1999

10A. MODIFICATION OF CONTRACT/ORDER NO.

10B. DATED (SEE ITEM 13)

CODE FACILITY CODE

11. THIS ITEM ONLY APPLIES TO AMENDMENTS OF SOLICITATIONS

The above numbered solicitation is amended as set forth in Item 14. The hour and date specified for receipt of Offers is extended, is not extended.

Offer must acknowledge receipt of this amendment prior to the hour and date specified in the solicitation or as amended, by one of the following methods:

(a) By completing Items 8 and 15, and returning 1 copies of the amendment; (b) By acknowledging receipt of this amendment on each copy of the offer submitted; or (c) By separate letter or telegram which includes a reference to the solicitation and amendment numbers. FAILURE OF YOUR ACKNOWLEDGMENT TO BE RECEIVED AT THE PLACE DESIGNATED FOR THE RECEIPT OF OFFERS PRIOR TO THE HOUR AND DATE SPECIFIED MAY RESULT IN REJECTION OF YOUR OFFER. If by virtue of this amendment you desire to change an offer already submitted, such change may be made by telegram or letter, provided each telegram or letter makes reference to the solicitation and this amendment, and is received prior to the opening hour and date specified.

12. Accounting and Appropriation Data (If required)

13. THIS ITEM APPLIES ONLY TO MODIFICATIONS OF CONTRACTS/ORDERS, IT MODIFIES THE CONTRACT/ORDER NO. AS DESCRIBED IN ITEM 14.

(X) A THIS CHANGE ORDER IS ISSUED PURSUANT TO: (Specify authority) THE CHANGES SET FORTH IN ITEM 14 ARE MADE IN THE CONTRACT ORDER NO. IN ITEM 10A.

B THE ABOVE NUMBERED CONTRACT/ORDER IS MODIFIED TO REFLECT THE ADMINISTRATIVE CHANGES (such as changes in paying office, appropriation date, etc.) SET FORTH IN ITEM 14, PURSUANT TO THE AUTHORITY OF FAR 43.103(b).

C THIS SUPPLEMENTAL AGREEMENT IS ENTERED INTO PURSUANT TO AUTHORITY OF:

D OTHER (Specify type of modification and authority)

E. IMPORTANT

Contractor is not, is required to sign this document and return 1 copies to the issuing office

14 DESCRIPTION OF AMENDMENT/MODIFICATION (Organized by UCF section headings, including solicitation/contract subject matter where feasible.)

SUBSISTENCE PRIME VENDOR FOR NORTH CAROLINA AREA CUSTOMERS.

THE ABOVE CITED SOLICITATION IS HEREBY AMENDED AS FOLLOWS:

(SEE ATTACHED)

Except as provided herein, all terms and conditions of the document referenced in Item 9A or 10A, as heretofore changed, remains unchanged and in full force and effect

15A. NAME AND TITLE OF SIGNER (Type or print)

16A. NAME AND TITLE OF CONTRACTING OFFICER (Type or print)
MAUREEN STEFFANI

15B. CONTRACTOR/OFFEROR

15C. DATE SIGNED

16B. UNITED STATES OF AMERICA

16C. DATE SIGNED

(Signature of person authorized to sign)

(Signature of Contracting Officer)

Table of Contents

Checklist	Page 3
Caution Notice - 2 Pages	Pages 4-5
Pre-Proposal Conference Questions and Answers	Page 6-8
Pre-Proposal Conference Briefing Charts	Page 9-24

The following pages in the solicitation are deleted and their replacements are part of this amendment [Pages 25 to 63].

Page 7	Page 83	Page 140	Page 161
Page 8	Page 83a (new)	Page 141	Page 163
Page 13	Page 84	Page 142	Page 164
Page 16	Page 120	Page 143	Page 170
Page 29	Page 121	Page 144	Page 186
Page 30	Page 122	Page 145	Page 188
Page 35	Page 123	Page 146	Page 189
Page 55	Page 135	Page 148	Page 191
Page 62	Page 138	Page 149	Page 192
Page 72	Page 139	Page 155	

Points of Contact at DPSC-HFVH Philadelphia:

	<u>PHONE:</u>	<u>FAX:</u>	<u>EMAIL ADDRESS:</u>
Sylvia Meminger Contract Specialist	215-737-4275	215-737-7194	smeminger@dscp.dla.mil
Lillian Gardner Team Manager	215-737-7741	215-737-7194	ljgardner@dscp.dla.mil
Maureen Steffani Contracting Officer	215-737-4567	215-737-7194	msteffani@dscp.dla.mil

On the following pages you are required to fill in or check off information pertinent to your company. Use this as a checklist when completing your offer:

_____ Page 1: Blocks 17a [Include your FAX number], Block 30a, 30b and 30c.

_____ Page 3

_____ Page 81: Paragraph[s] (3), (4) and (5). Paragraph (5) continues on the top of Page 82.

_____ Page 82: Paragraph[s] (1) (2), (3), (4) and (5). Paragraph (5) continues on the top of Page 83.

_____ Page 83: Paragraph (i), (ii)(A) or (B)

_____ Page 84: Continuation of Paragraph (7)(i), (A), (B), (C) and (8)(d)(1).
(i) and (ii)

_____ Page 85: Continuation of paragraph (2)(i) and (ii)

_____ Pages 102-103: Paragraph (2)

_____ Page 106: Paragraph (a)(3)

_____ Page 107: Paragraph (b)

_____ Page 109: Clause 52.215-6 [Place of Performance] Paragraphs (a) and

(b).

_____ Page 110: Clause 52.215-11 [Authorized Negotiators]

CAUTION NOTICE

SP0300-99-R-4014

SUBSISTENCE

PRIME VENDOR SOLICITATION

FOR NORTH CAROLINA ZONE

THIS ACQUISITION IS UNRESTRICTED. OFFERS WILL BE ACCEPTED FROM BOTH LARGE AND SMALL BUSINESSES. FIRMS DO NOT HAVE TO BE FULL-LINE FOODSERVICE DISTRIBUTORS TO SUBMIT AN OFFER IN RESPONSE TO THIS REQUEST FOR PROPOSAL.

THIS SOLICITATION WILL RESULT IN THE AWARD OF ONE (1) INDEFINITE QUANTITY CONTRACT (IQC) FOR A ONE (1) YEAR BASE TERM. THE SOLICITATION ALSO CONTAINS PROVISIONS FOR FOUR ONE YEAR OPTIONS. ACCEPTANCE OF THESE PROVISIONS BY THE OFFEROR IS MANDATORY. FAILURE TO INDICATE ACCEPTANCE OF THE OPTIONS BY:

- SPECIFYING A YEARLY OPTION PERCENTAGE INCREASE OR DECREASE; OR
- STATING THAT THERE WILL BE NO CHANGE IN OPTION PRICING; OR
- STATING THAT THERE WILL BE A CHANGE REFLECTIVE OF CHANGE IN CONSUMER PRICE INDEX [CPI] AND THE PERCENTAGE [%] INCREASE OR DECREASE THAT PERTAINS.

MAY BE DEEMED AS NON-ACCEPTANCE OF THE OPTION AND COULD RESULT IN THE REJECTION OF BOTH THE TECHNICAL AND BUSINESS PROPOSALS.

THE GUARANTEED MINIMUM FOR THIS CONTRACT WILL BE 10% OF THE ESTIMATED AWARD DOLLAR VALUE. THE MAXIMUM CEILING WILL BE 125% OF THE ESTIMATED AWARD DOLLAR VALUE. IN THE EVENT OF EMERGENCIES, THE GOVERNMENT MAY UNILATERALLY EXECUTE A HIGHER CEILING AT 150% OF THE ESTIMATED AWARD DOLLAR VALUE.

OFFERORS SHOULD READ THE SOLICITATION VERY CAREFULLY. PLEASE ENSURE THAT ALL REQUIRED INFORMATION IS INCLUDED WITH YOUR PROPOSALS, IN THE ORDER THAT IT IS REQUESTED, AND THAT ALL CLAUSES THAT REQUIRE A RESPONSE ARE COMPLETED. MISSING OR INCOMPLETE INFORMATION MAY RESULT IN THE ELIMINATION OF THE PROPOSAL FROM FURTHER CONSIDERATION. ALL TERMS AND CONDITIONS OF THE SOLICITATION SHOULD BE REVIEWED THOROUGHLY. ANY QUESTIONS REGARDING INTERPRETATION OF THE TERMS, CONDITIONS, OR REQUIREMENTS OF THIS SOLICITATION SHOULD BE DIRECTED TO THE CONTRACTING OFFICER, MAUREEN STEFFANI AT 215-737-4567 OR THE CONTRACT SPECIALIST, SYLVIA MEMINGER, AT 215-737-4275.

OFFERS WILL BE EVALUATED AND AWARD WILL BE MADE IN ACCORDANCE WITH THE TRADEOFF PROCESS (PREVIOUSLY REFERRED TO AS "BEST VALUE SOURCE SELECTION"). AWARD WILL BE BASED ON FACTORS OTHER THAN COST OR PRICE ALONE. EVALUATION FACTORS FOR AWARD ARE CONTAINED IN DSCP CLAUSE 52.212-2 "EVALUATION-COMMERCIAL ITEMS" ON PAGE 75. SOURCE SELECTION AND EVALUATION PROCEDURES ARE CONTAINED IN ADDENDUM TO DSCP CLAUSE 52.212, PARAGRAPH 2(d) ON PAGE 77. THE TECHNICAL PROPOSAL IS MORE IMPORTANT THAN THE BUSINESS PROPOSAL.

THE SECTION ENTITLED "INSTRUCTIONS, CONDITIONS, AND NOTICES TO OFFERORS" PROVIDES INSTRUCTIONS FOR PREPARING AND SUBMITTING PROPOSALS. THE SECTION ENTITLED "EVALUATION FACTORS FOR AWARD" EXPLAINS HOW PROPOSALS WILL BE EVALUATED. PROPOSALS MUST BE PREPARED IN TWO (2) VOLUMES: TECHNICAL PROPOSAL AND BUSINESS PROPOSAL. THE TECHNICAL PROPOSAL MUST BE DEVOID OF ALL REFERENCES TO COST OR PRICE.

Servicing customers in the North Carolina area of the U.S.

The following issues are hereby addressed or clarified as a result of the Preposal Conference:

1. Subject: Socioeconomic Considerations - Factor IV

Question: In my stated subcontracting goals, can I include in this figure the cost of subcontracting to a small business on a prorated basis eg. a small business carpet cleaning company?

Answer: No. See page 152 of solicitation - Under socioeconomic considerations (and subsequent management reports), offerors are to submit figures based on direct subcontracts for items that would be supplied under contract. NO indirect costs for equipment or services are to be included.

Please keep in mind this refers to the Evaluation Factor - Socioeconomics Considerations ONLY. This does not refer to the Subcontracting Plan to be submitted by Large business. The subcontracting plan may include indirect cost, but must be allocated on a prorated basis for this contract only.

2. Subject: Socioeconomic Considerations - Factor 4

Question: Can I include in my subcontracting goals those items that are considered Mandatory Items to be supplied through NIB/NISH, ARC, Unistel?

Answer: No. Products from these Not for Profit groups are not to be included in your proposed goals. However, if you choose to make a separate category for NIB/NISH you may do so, but this will not be evaluated.

However, In reference to the Small Business Subcontracting Plan: You may include JWOD as a category under small business based on the exception in the DFAR that currently exists regarding vendors doing business with qualified JWOD workshops: NIB/ NISH or Unistel or ARC. JWOD must be noted as a separate category under Small business. Keep in mind only Large business is required to submit a Subcontracting plan and that this exception exists until end of FY 99. When more information becomes available on a possible extension of this exception, you will receive notification from this office.

3. Subject: Socioeconomics Considerations.

Question: Is it true that if the awardee does not meet the proposed goals, he may be charged for the difference?

Answer: Refer to Clause 52.219.16 - Liquidated damages - subcontracting plan Page 116 of the solicitation

4. Question: What constitutes a Small Business:

Answer: In the food arena, for the purpose of this contract - A company with 500 employees or less is considered a Small Business.

5. Subject: Past Performance

Question: If I have had government contracts and decide to list this under Attachment 6 of the solicitation, should I indicate if the contracts are Local, State or Federal?

Answer: Yes, by all means

6. Subject: National Meat & Seafood Audits

Question: Please explain the cost of Meat Audit and Seafood Audit?

Answer: Refer to Pages 44 through 46 of the solicitation for more information on the Auditing program, including the average cost per Audit and the responsibility of the Prime Vendor in this regard.

6. Subject: Past Performance

Question: Page 142, 143. Should I submit Section B1.a thru k. in writing?

Answer: Yes, you are required to submit a. thru e. and h. thru k (if applicable) in writing using Attachment 6 pages 264 thru 266 of the solicitation. B.1.f & g. are also required in writing in narrative form with your written technical proposal.

7. Subject: Ordering System

Question: Is there someone at DSCP that I can direct my questions to regarding the ordering system?

Answer: All questions regarding any area of this acquisition must be first directed to this office, DSCP-HFVH. This office will then forward information as necessary to the proper parties.

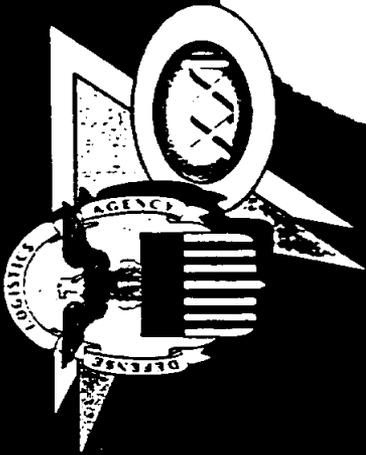
Ordering System:

NOTE: Item descriptions must be submitted using the government format only.
eg. Vegetable, Green Beans, Frozen.

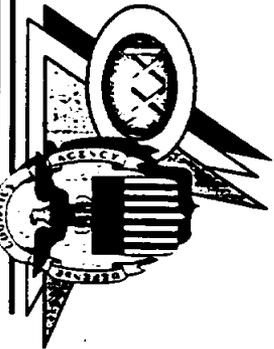
NOTE: In reference to briefing charts: Your presentation may consist of briefing charts, film, slides etc. Copies of these must be provided at time of closing along with the written part of your technical proposal. Please provide (6) copies of briefing charts along with (1) copy of any other type of briefing materials to be used at time of oral presentation. Only those materials that have been submitted at time of closing will be considered for evaluation.

NOTE: Pictures may be taken by the Technical Evaluation Panel during the site visit. However, we ask that the offeror refrain from the use of picture taking while the site visit is being conducted.

REITERATION OF SOLICITATION: Value added enhancements that you propose over and above the requirements of this solicitation will become part of the resultant contract.

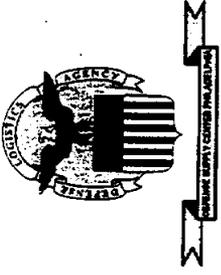


Defense Logistics Agency



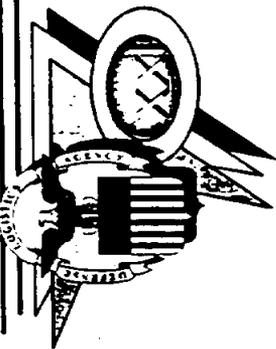
Agenda

- Welcome
- Time frames
- Overview
- Staff introductions



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Requirements

- Customers
- No fresh fruits and vegetables
- Potential introduction of non-food (food related) items



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Proposal Submissions

- Business Proposal
- Technical Proposal

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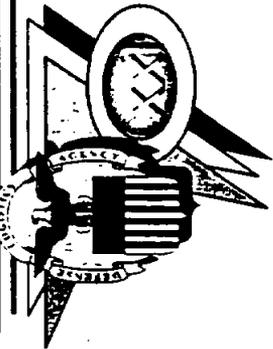


Technical Proposal

- Oral presentation
- Written submission - minimal requirements

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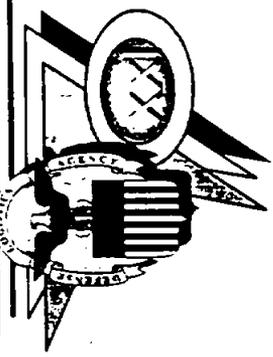


Oral Presentation

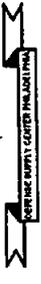
- Concept
- Specifics

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Technical Evaluation Factors



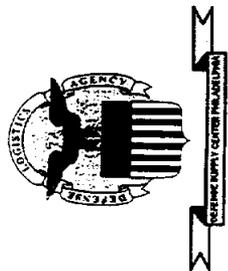
- Corporate experience / past performance
 - Charts - attachment 6
- Distribution system capability
- Quality assurance
 - Technical description - salient characteristics - relates to Business Proposal
- Socioeconomic considerations
 - % - \$
- Procurement pricing plan
- MBA

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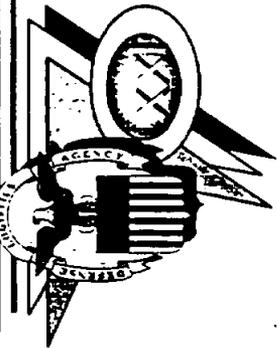
Proposal Submissions

- Business Proposal



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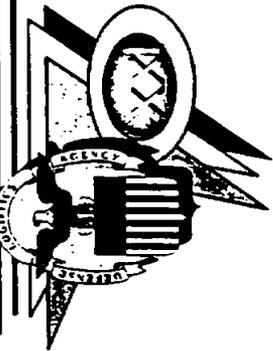
Pricing Terms, p. 160-161



- "Identical match"
- Gov't unit of issue
- Distribution \$ category
 - Category name / #
- Delivered price (DEP)
- Distribution price (DIP)
- Unit price (U/P)
- DIP/DEP
- DP AGG

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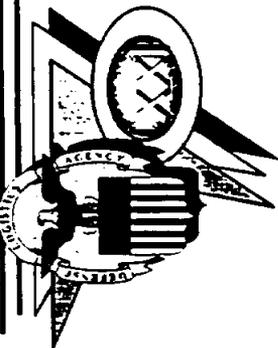
Pricing

- Market basket
 - Meet solicitation requirements
- Category - verification
- Option years - mandatory, p. 182



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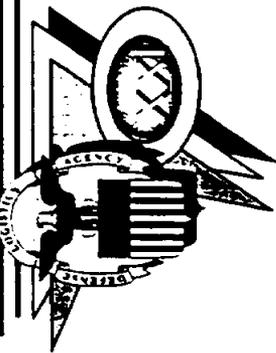
Pricing Submission

- Market basket items
 - Example chart, p. 162
 - Base year
 - Mandatory option years
 - No change, decrease, increase
 - Change of CPI
- Distribution Price Category Listing
 - Category vs. market basket verification
- Pricing spreadsheet
 - "Virus free" disk

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Option Years - Mandatory



- Reference, P. 182
- Increase - change in CPI
- Decrease
- No change

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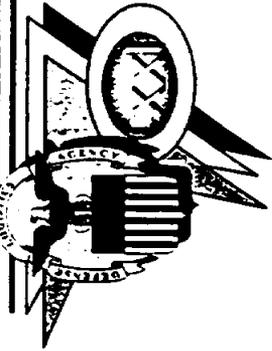


FAR Re-Write



- Competitive range
 - “Most favorable offers”
- Award without discussions
 - Always a possibility

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Written Requirements

- Business proposal
 - Entire business section required in writing
- Technical proposal
 - Items " * " within instructions
 - Reminder list, p. 138.

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STORES System



- EDI transaction sets
 - 832
 - 850
 - 861
 - 997
 - 810
- Unit prices
- Item descriptions
- EDI guidelines, p. 201

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Southeast Region

- Questions and answers
- Closing remarks



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Page 7 is to be replaced with the following:

CONTRACT ADMINISTRATION DATA

1:	Contracting Authority	Page 59
2:	Invoicing	Page 59
3:	Payments	Page 61
4:	Administration	Page 61

SPECIAL CONTRACT REQUIREMENTS

1:	Notice to Offerors	Page 62
2:	Management Reports	Page 62
3:	Catalog Order Guide	Page 65
4:	Transition Period/Implementation	Page 65
5:	Customer Support	Page 66
6:	DLA Mentoring Business Agreement	Page 66

*CONTRACT CLAUSES, REPRESENTATIONS,
CERTIFICATIONS, AND OTHER STATEMENTS OF OFFERORS*

Clauses Are Listed in Numerical Order

52.208-9	Contractor Use of Mandatory Sources of Supply (Mar 1996)	Page 105
52.209-9P04	Certification or Disclosures of Debarred or Suspended Subcontractors, Suppliers, or Individuals (Jan 1992) DSCP	Page 106
52.209-9P06	Responsibility of Offeror (Jan 1992) DSCP	Page 108
52.211-9P36	FDA Compliance (Jan 1992) DSCP	Page 108
52.211-9P38	Place of Performance (Jan 1992) DSCP	Page 109
52.212-1	Instructions to Offerors-Commercial Items (AUG 1998)	Page 69

Page 8 is to be replaced with the following:

52.212-2	Evaluation - Commercial Items (Jan 1999)	Page 76
52.212-3	Offeror Representations and Certifications - Commercial Items (May 1999)	Page 80
52.212-4	Contract Terms and Conditions— Commercial Items (May 1999)	Page 90
52.212-5	Contract Terms and Conditions Required to Implement Statutes or Executive— Commercial Items (May 1999)	Page 99
52.212-7000	Offeror Representations and Certifications - Commercial Items (Nov 1995) DFARS	Page 102
52.212-7001	Contract Terms and Conditions Required to Implement Statutes or Executive Orders Applicable to Defense Acquisitions of Commercial Items (Jan 1999) DFARS	Page 103
52.212-9000	Mandatory Provisions and Clauses - Commercial Items (JUN 1997) DLAD	Page 104
52.215-6	Place of Performance (Oct 1997)	Page 109
52.215-11	Authorized Negotiators (Apr 1984)	Page 110
52.215-9002	Socioeconomic Proposal (Mar 1996)	Page 110
52.215-9003	Socioeconomic Support Evaluation (OCT1996) DLAD	Page 111
52.215-9P03	Acceptance of Offers (Aug 1993) DPSC	Page 111

Page 13 is to be replaced with the following:

SUPPLIES / SERVICES AND PRICES

1. *GENERAL INFORMATION*

The purpose of this solicitation is for the Defense Supply Center Philadelphia (DSCP) to establish Indefinite Quantity Contract(s) to provide subsistence products to the military and other Federally funded customers within the state of North Carolina. In addition to the military customers within these states, other non- Department of Defense (DOD) customers may also be supported. An Indefinite Quantity Contract (IQC) provides for an indefinite quantity, within stated limits, of specific supplies or services to be furnished during a fixed period, with deliveries to be scheduled by placing orders with the contractor. (FAR 16.504 (a))

The customers listed within this North Carolina area will be considered one zone. It is the intention to make one Prime Vendor award for this zone. However, the Government reserves the right to make more than one award in this zone.

2. *Current Customers*

<u>Installation</u>	<u>Service</u>	<u>Approximate Dollar Value</u>
<u>CAMP LEJEUNE</u>	Marine	\$ 15,976,212.00
Food Service Bldg 1108 - Birch Street Camp LeJeune, NC		
Bldg G-640 - Camp Geiger		
Bldg 9 - H&S BN, FSSG		

Page 16 is to be replaced with the following:

<u>POPE AFB</u>	Air Force	\$ 395,603.11
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Kitty Hawk Inn
Bldg 352
Pope AFB, NC

Flight Kitchen
Bldg 717
Pope AFB, NC

Child Care Center
Bldg 30
Armistead St.
Pope AFB, NC

3. *ITEMS*

A. This contract is for the procurement of Total Food and Beverage support EXCEPT for Fresh Fruits and Vegetables, fresh milk, fresh bread, and "branded" Bag in Box Soda. However, the government reserves the right to add these classes of food products after award. If these classes of food products are added, appropriate distribution fees will be negotiated. The government reserves the right to add non-food items such as paper products, cleaning supplies, and food service equipment. The offeror is required to submit a distribution fee for non-food items.

B. The offeror must submit two (2) copies of their most complete and current product listing for all items (food, beverage, and non-food) as part of their business proposal.

Page 29 is to be replaced with the following:

C. If a Prime Vendor is advised that any of the above items are not available from the supplier, the Contracting Officer must be immediately notified.

15. MANDATORY ITEMS - NON FOOD

DSCP is currently working to add Non-Food (Relating to Foodservice) items to its' Prime Vendor contracts. Upon this implementation certain items will be require sourcing via NIB/NISH centers/stores. The exact items will be furnished when the program is finalized. The potential new business cannot increase the amount of the contract by more than 25% in total. It should be noted that the 25% new business would also be allowable at the maximum ceiling and the alternate higher ceiling.

16. REBATES / DISCOUNTS

A. The following instructions for rebates and discounts refer to those which are in addition to NAPA's and Food Show Discounts. As discussed in following sections, all NAPA's and Food Show Rebates must be given in the form of a deviated price.

B. Rebates and discounts, other than NAPA's and Food Show discounts, are to be returned to DSCP when they are directly attributable to sales resulting from orders exclusively submitted by DSCP or its customers. Additionally, any rebates and discounts offered to any commercial customer or other Governmental organization shall be returned to DSCP or its customers in the form of an up-front price reduction (resulting in a lower delivered invoice price to the customer/reduced STORES price), or lump sum reimbursement if returned to DSCP. It should be noted that DSCP and their customers prefer STORES price reductions.

C. The Prime Vendor shall be as aggressive as possible in pursuing all rebates, including mail in coupons and discounts for the customers supported under this contract. Notwithstanding the requirements included herein, the offeror warrants, at a minimum, that DSCP and its customers will receive rebates and discounts equal to or better than the offeror's most favored commercial or other Government customer. The offeror will provide a description of those rebates and discounts meeting the requirements herein as part of its offer in accordance with

Page 30 is to be replaced with the following:

the provisions outlined in the "Instructions, Conditions and Notices to Offeror's" section of this solicitation. The rebates and discounts proposal will be reviewed, and if found acceptable, shall become part of the resulting contract.

D. A rebate report shall be provided to the Contracting Officer on a monthly basis. This Rebate report shall be a break out of all rebates by manufacturer, then sorted by customer/dining facility. The final procedures relative to managing and returning lump sum rebates will be based on the final proposal and confirmed after award. The Government, however, reserves the right to audit applicable records to ensure proper administration of the rebate program and moneys due the Government have been properly returned in accordance with the offer.

Page 35 is to be replaced with the following:

20. NEW ITEMS

A. If a customer desires to order an item that is not part of the contractor's inventory, the Prime Vendor will be allowed a total of thirty (30) days to source items, obtain stock number from DSCP and add to Vendor Item Catalog via 832 catalog transaction. These items should then become a permanent part of the Prime Vendor's inventory if it appears that these items will be ordered on a regular basis.

B. The successful awardee shall assume the responsibility of introducing new food items to the customers, as well as to show cost effective alternatives to their current choices.

21. ADDITIONAL CUSTOMERS

A. Additional DoD and non-DoD customers in the solicited areas may be added to the Prime Vendor contract based on mutually agreed upon implementation plan. If a customer is on the border of one of the surrounding states, in an area where, the Prime Vendor in that area does not normally travel, the successful offeror of this contract may be asked to service those customers.

B. The potential customers cannot increase the amount of the contract by more than 25% in total. It should be noted that the 25% new business would also be allowable at the maximum ceiling and the alternate higher ceiling.

C. To the extent that the customers supported under the contracts do not meet the estimated dollar purchases the Contracting Officer reserves the right to add more than 25% of additional business.

D. Additional customers are limited to those that receive Federal funding.

Page 55 is to be replaced with the following:

factors as less storage capacity. Saturday deliveries may occasionally be necessary, as can be agreed upon by the prime vendor and the customer.

C. It should be noted that various facilities within Ft. Bragg are receiving product up to five times a week. We expect this service to continue at no additional charge.

D. Installation delivery routes and stop-off sequence will be coordinated and verified with the installations on a post award basis by the awardee (s).

E. All deliveries are subject to military inspection at destination. Delivery vehicles may be required to stop at a central location for medical inspection before proceeding to the assigned delivery point(s). Additionally, upon completing the delivery (or deliveries) and before the carrier leaves the installation, copies of the invoices may be required to be delivered to a central "Accounting/Troop Issue" activity on the installation.

4. *FILL RATE / SUBSTITUTIONS*

A. Order fill rates shall be calculated on an on-time, per order basis and tracked for monthly submission to the Contracting Officer/Account Manager. The fill rate shall be calculated as follows and shall not include mispicks, damaged cases, etc.:

$$\frac{\text{Cases accepted}}{\text{Cases ordered}} \times 100 = \text{fill rate \%}$$

B. The fill rate shall be calculated with and without substitutions. Note: Substitutions must be approved by authorized customer personnel prior to shipment.

C. The contractor will submit a monthly report by customer to the DSCP Account Manager/Contracting Officer with the following information:

1. Fill Rate without Substitution
2. Fill Rate with Substitution
3. List of all items that were Not in Stock, Returned damaged, Mispicks, etc.

Page 62 is to be replaced with the following:

SPECIAL CONTRACT REQUIREMENTS

1. NOTICE TO OFFERORS

Prospective offerors are hereby advised that although there is a guaranteed minimum of 10% on this Contract, DSCP cannot guarantee that any or all of the customers will order all of their subsistence and related non-food requirements from the successful Prime Vendor. Once the guaranteed minimum has been met, the customer may or may not choose to continue ordering from the contract. To a large extent, their decision to continue ordering will be based on the performance of the Prime Vendor.

2. MANAGEMENT REPORTS

The contractor shall provide all of the following reports to the DSCP Contracting Officer/Account Manager on a monthly basis. All reports shall be cumulative for a one (1) month period and submitted no later than the seventh day of the following month. E.G., reporting period of January 1 through January 31, reports must be received by February 7. Minor modification to the actual "calendar month" may be made if the offeror's "period" covers the majority of time within the calendar month.

A. Descending Dollar Value Report - Sorted by line item; each line to contain at a minimum: DSCP stock number, Item Description, pack or size, brand description, quantity, and total dollar value of units shipped. Dollar amounts will be totaled.

B. Product Line Item, Stock Number Order - Sorted by DSCP Stock Number. List all information including DSCP Stock Number, quantity purchased, dollar value, Vendor Part Number, Item Description and DSCP Unit of Issue

**ADDENDUM TO 52.212-1 INSTRUCTIONS TO OFFERORS--COMMERCIAL ITEMS
(APR 1998)**

The following paragraphs of 52.212-1 are amended as indicated below:

1. Paragraph (a). Delete all references to the "SIC Code".

2. Paragraph (b) Submission of offers.

See Standard Form 1449 (Continuation Sheet), on page 3, for any specific instructions on how to submit your offer if mailed, handcarried or faxed (when authorized).

Faxed offers are NOT authorized for this solicitation.

3. Paragraph (b), Submission of offers, is expanded as follows:

(12) Proposal Preparation

(i) Two (2) different techniques shall be utilized when submitting your proposal - an Oral Presentation and a written proposal. Except where otherwise noted, the Technical Proposal shall be orally presented in accordance with the instructions outlined in the "Instructions, Conditions and Notices to Offerors". The Business Proposal must be submitted in writing. The Technical Proposal information required to be submitted in writing must be prepared separately and shall not be combined with the Business Proposal. Proposals that do not provide the required information in the prescribed format may be excluded from further consideration.

<u>VOLUME</u> <u>LIMIT</u>	<u>VOLUME TITLE</u>	<u>NO. OF COPIES</u>	<u>SUGGESTED TIME</u>
I	Technical (Oral)	** 6 (Briefing Charts)	3 Hours
I	Technical (Written)	5	N/A
II	Business	2	N/A

** To include any presentation materials to be used (i.e., slides, videos, etc).

Page 83 is to be replaced with the following:

(6) Small Business Size for the Small Business Competitiveness Demonstration Program and for the Targeted Industry Categories under the Small Business Competitiveness Demonstration Program. [Complete only if the offeror has represented itself to be a small business concern under the size standards for this solicitation.]

(i) [Complete only for solicitations indicated in an addendum as being set-aside for emerging small businesses in one of the four designated industry groups (DIGs).] The offeror represents as part of its offer that it is, is not an emerging small business.

(ii) [Complete only for solicitations indicated in an addendum as being for one of the targeted industry categories (TICs) or four designated industry groups (DIGs).] Offeror represents as follows:

(A) Offeror's number of employees for the past 12 months (check the Employees column if size standard stated in the solicitation is expressed in terms of number of employees); or

(B) Offeror's average annual gross revenue for the last 3 fiscal years (check the Average Annual Gross Number of Revenues column if size standard stated in the solicitation is expressed in terms of annual receipts).

(Check one of the following):

Number of Employees

- _____ 50 or fewer
- _____ 51-100
- _____ 101-250
- _____ 251-500
- _____ 501-750
- _____ 751-1,000
- _____ Over 1,000

Average Annual Gross Revenues

- _____ \$1 million or less
- _____ \$1,000,001 - \$2 million
- _____ \$2,000,001 - \$3.5 million
- _____ \$3,500,001 - \$5 million
- _____ \$5,000,001 - \$10 million
- _____ \$10,000,001 - \$17 million
- _____ Over \$17 million

Page 83a is ADDED:

(7) [Complete only if the solicitation contains the clause at FAR 52.219-23, Notice of Price Evaluation Adjustment for Small Disadvantaged Business Concerns, or FAR 52.219-25, Small Disadvantaged Business Participation Program--Disadvantaged Status and Reporting, and the offeror desires a benefit based on its disadvantaged status.]

Page 84 is to be replaced with the following:

(i) *General.* The offeror represents that either—

(A) It is, is not certified by the Small Business Administration as a small disadvantaged business concern and is listed, on the date of this representation, on the register of small disadvantaged business concerns maintained by the Small Business Administration, and that no material change in disadvantaged ownership and control has occurred since its certification, and, where the concern is owned by one or more individuals claiming disadvantaged status, the net worth of each individual upon whom the certification is based does not exceed \$750,000 after taking into account the applicable exclusions set forth at 13 CFR 124.104(c)(2); or

(B) It has, has not submitted a completed application to the Small Business Administration or a Private Certifier to be certified as a small disadvantaged business concern in accordance with 13 CFR 124, Subpart B, and a decision on that application is pending, and that no material change in disadvantaged ownership and control has occurred since its application was submitted.

(ii) *Joint Ventures under the Price Evaluation Adjustment for Small Disadvantaged Business Concerns.* The offeror represents, as part of its offer, that it is a joint venture that complies with the requirements in 13 CFR 124.1002(f) and that the representation in paragraph (c)(7)(i) of this provision is accurate for the small disadvantaged business concern that is participating in the joint venture. [The offeror shall enter the name of the small disadvantaged business concern that is participating in the joint venture: _____.]

(d) *Representations and Certifications required to implement provisions of Executive Order 11246--(1) Previous contracts and compliance.* The offeror represents that--

(i) It has, has not participated in a previous contract or subcontract subject to the Equal Opportunity clause of this solicitation; and

(ii) It has, has not filed all required compliance reports.

(2) *Affirmative Action Compliance.* The offeror represents that--

Page 120 is to be replaced with the following:

52.232-33 - Payment by Electronic Funds Transfer--Central Contractor Registration (May 1999)

(a) Method of payment.

(1) All payments by the Government under this contract shall be made by electronic funds transfer (EFT), except as provided in paragraph (a)(2) of this clause. As used in this clause, the term "EFT" refers to the funds transfer and may also include the payment information transfer.

(2) In the event the Government is unable to release one or more payments by EFT, the Contractor agrees to either--

(i) Accept payment by check or some other mutually agreeable method of payment; or

(ii) Request the Government to extend the payment due date until such time as the Government can make payment by EFT (but see paragraph (d) of this clause).

(b) Contractor's EFT information. The Government shall make payment to the Contractor using the EFT information contained in the Central Contractor Registration (CCR) database. In the event that the EFT information changes, the Contractor shall be responsible for providing the updated information to the CCR database.

(c) Mechanisms for EFT payment. The Government may make payment by EFT through either the Automated Clearing House (ACH) network, subject to the rules of the National Automated Clearing House Association, or the Fedwire Transfer System. The rules governing Federal payments through the ACH are contained in 31 CFR part 210.

(d) Suspension of payment. If the Contractor's EFT information in the CCR database is incorrect, then the Government need not make payment to the Contractor under this contract until correct EFT information is entered into the CCR database; and any invoice or contract financing request shall be deemed not to be a proper invoice for the purpose of prompt payment under this contract. The prompt payment terms of the contract regarding notice of an improper invoice and delays in accrual of interest penalties apply.

Page 121 is to be replaced with the following:

(e) Contractor EFT arrangements. If the Contractor has identified multiple payment receiving points (i.e., more than one remittance address and/or EFT information set) in the CCR database, and the Contractor has not notified the Government of the payment receiving point applicable to this contract, the Government shall make payment to the first payment receiving point (EFT information set or remittance address as applicable) listed in the CCR database.

(f) Liability for uncompleted or erroneous transfers.

(1) If an uncompleted or erroneous transfer occurs because the Government used the Contractor's EFT information incorrectly, the Government remains responsible for--

- (i) Making a correct payment;
- (ii) Paying any prompt payment penalty due; and
- (iii) Recovering any erroneously directed funds.

(2) If an uncompleted or erroneous transfer occurs because the Contractor's EFT information was incorrect, or was revised within 30 days of Government release of the EFT payment transaction instruction to the Federal Reserve System, and--

(i) If the funds are no longer under the control of the payment office, the Government is deemed to have made payment and the Contractor is responsible for recovery of any erroneously directed funds; or

(ii) If the funds remain under the control of the payment office, the Government shall not make payment, and the provisions of paragraph (d) of this clause shall apply.

(g) EFT and prompt payment. A payment shall be deemed to have been made in a timely manner in accordance with the prompt payment terms of this contract if, in the EFT payment transaction instruction released to the Federal Reserve System, the date specified for settlement of the payment is on or before the prompt payment due date, provided the specified payment date is a valid date under the rules of the Federal Reserve System.

(h) EFT and assignment of claims. If the Contractor assigns the proceeds of this contract as provided for in the assignment of claims terms of this contract, the Contractor shall require as a condition of any such assignment, that the assignee shall register in the CCR database and shall be paid by EFT in accordance with the terms of this clause. In all respects, the requirements of this clause shall apply to the assignee as if it were the Contractor. EFT information that shows the ultimate recipient of the transfer to be other than the Contractor, in the absence of a proper assignment of claims acceptable to the Government, is incorrect EFT information within the meaning of paragraph (d) of this clause.

Page 122 is to be replaced with the following:

(i) Liability for change of EFT information by financial agent. The Government is not liable for errors resulting from changes to EFT information made by the Contractor's financial agent.

(j) Payment information. The payment or disbursing office shall forward to the Contractor available payment information that is suitable for transmission as of the date of release of the EFT instruction to the Federal Reserve System. The Government may request the Contractor to designate a desired format and method(s) for delivery of payment information from a list of formats and methods the payment office is capable of executing. However, the Government does not guarantee that any particular format or method of delivery is available at any particular payment office and retains the latitude to use the format and delivery method most convenient to the Government. If the Government makes payment by check in accordance with paragraph (a) of this clause, the Government shall mail the payment information to the remittance address contained in the CCR database.

Page 123 is to be replaced with the following:

**52.246-9P29 AVAILABILITY OF FUNDING ON DEFENSE BUSINESS
OPERATING FUND (DBOF) ACQUISITIONS (JAN 1992)
DPSC**

Offerors are cautioned that this acquisition currently has not been funded for contract award, or if funds are currently available, they may be reallocated prior to award due to budgetary constraints. Although a requirement exists, award need not be made unless and until funding is available.

**52.246-9P29 ADMINISTRATIVE COST TO THE GOVERNMENT IN
PROCESSING CONTRACT MODIFICATIONS (JAN 1992) DPSC**

Where contract modifications are issued solely for the benefit of the contractor, e.g. acceptance of nonconforming supplies or change in place of performance or delivery, the sum of \$100 (the Government's administrative cost to process the modification) shall be obtained from the contractor in addition to any other monetary consideration.

52.246-9P31 SANITARY CONDITIONS (JAN 1998) DSCP

(a) Food Establishments.

(1) Establishments furnishing food items under DSCP contracts are subject to approval by the Military Medical Service or another agency acceptable to the Military Medical Service. The Government does not intend to make any award for, nor accept, any subsistence products manufactured or processed in a plant which is operating under such unsanitary conditions as may lead to product contamination or

Page 135 is to be replaced with the following:

It should be noted that the awardee's oral presentation may be used for future training sessions.

D. It should also be noted that the DSCP Technical Evaluation Panel may audio tape the presentation for their immediate reference, in addition to the video taping by the offeror.

E. Offerors will be allotted no more than three (3) hours to present information, (Note: there will only be one (1) Oral Presentation per submission; i.e. if there is any type of joint venture or partnership only one (1) Oral Presentation at the three (3) hour limit will be permitted) as specified below, on the following technical factors:

1. Corporate Experience/Past Performance
2. Distribution System/Capability
3. Quality Assurance
4. Socioeconomic Considerations
5. Procurement Pricing Plan
6. DLA Mentoring Business Agreement

F. The Technical Evaluation Panel will NOT ask any questions during the presentation, nor will any questions from the presenters be allowed. There will be a break of approximately 20-minutes at the end of the first 1 1/2-hour, then a 30-60 minute break at the end of the presentation. The Question and Answer period will immediately follow this break after the Oral Presentation; this portion will also require video taping. During the Question and Answer period, the Technical Evaluation Panel will ask for any clarifications to the offeror's presentation. The offeror will not be permitted to ask questions of the panel other than to elicit a better understanding of the Technical Evaluation Panel's question. The Oral Presentation, or the Question and Answer session, will not constitute discussions as defined in FAR 15.601 and 15.610.

NOTE: Pictures may be taken by the Technical Evaluation Panel during the site visit. The offeror will refrain from the use of picture taking while the site visit is being conducted.

Page 136 is to be replaced with the following:

G. The order in which Oral Presentations occur will be randomly selected, with adjustments to facilitate Government travel plans, if appropriate. Within three [3] working days after closing of solicitation, offerors will be notified of the date when presentations are to be conducted. Offerors are requested to indicate in the written technical proposal what days would not be convenient for an oral presentation; all attempts will be made to accommodate such scheduling conflicts. Once the date for the Oral Presentation is set, requests for changes in the date will not be entertained. The Oral Presentation dates will begin no earlier than five [5] working days after the solicitation closing. It is anticipated that this process will take approximately three (3) to four (4) weeks. Oral Presentation may not be scheduled for consecutive days. Oral Presentations are not subject to FAR 52.212-3(f) "Late Submissions, Modifications, and Withdrawals of Proposals".

H. The briefing charts (to include any presentation materials to be - e.g., slides, videos, etc.) during the Oral Presentation will become part of the official record and must be submitted by the date and time specified for the receipt of proposals. Briefing charts received after this date and time are subject to the provisions of FAR 52.212-1(f). If Briefing Charts are not submitted by the date and time specified for closing, then the firm waives its right to use any charts during its Oral Presentation. NO HANDOUTS WILL BE ACCEPTED DURING THE ORAL PRESENTATION. The briefing charts may not be altered between the time of the closing and the Oral Presentation. Any changes to any briefing charts may result in a score of "Poor" for the factor to which the chart applied.

I. Offerors are reminded that they should not develop overly elaborate Oral Presentations or presentation material, including briefing charts.

J. *No pricing information*, other than that outlined in the Procurement Pricing Factor, shall be included in the Oral Presentation.

K. The offeror shall use the Oral Presentation as a means to communicate its understanding, approach, and experience in accomplishing requirements similar to those stated in the solicitation.

Page 138 is to be replaced with the following:

P. In review: The offeror will be responsible to videotape [VHS Format] the following and forward to the Contracting Officer at DSCP within 48 hours after presentation and site visit:

1. Oral Presentation
2. Question and Answer Session
3. Site Visit Question and Answer Session, if needed

Q. The offeror is required to submit detailed directions/maps to their facility from the closest major airport at time of closing of offers. If offeror will be utilizing warehouses/facilities that are in addition, or separate from their primary place of business, then separate directions must be submitted for that location. It is also requested that offerors send recommendations and directions of lodging, convenient to your warehouse/facilities to accommodate Technical Evaluation Panel members.

R. DSCP reserves the right to request all, or parts of the Technical Proposal which was not initially requested, to be submitted in writing. Offerors will be given five (5) working days to document their proposal in writing.

4. The following technical business information *must* be submitted in writing:

Note: Any portion of the Technical Proposal that has been submitted in writing, but was not required to be in writing, will not be considered and thus not evaluated.

1. SF 1449 [Page 1 of solicitation] and any subsequent amendments to solicitation with original signatures

2. Certifications and Representations (All clauses that require a response must be returned);

Page 139 is to be replaced with the following:

3. List of references and contracts referenced in Section I., B. of the Corporate Experience/Past Performance Evaluation Factor;
4. Copies of awards or certifications referenced in Section I., B. 5., of the Corporate Experience/Past Performance Evaluation Factor;
5. Information relating to a firm's policies regarding breaking cases and required minimum amount/velocity to add product to inventory referenced in Section II., A. 5, of the Distribution System/Capability Evaluation Factor;
6. Fees associated with add-on's and cancellations referenced in Section II, D. 3., of the Distribution System/Capability Evaluation Factor;
7. Readiness Plan referenced in Section II., F. 3., of the Distribution System/Capability Evaluation Factor; Pages 148 and 188
8. Sanitary Inspection Reports referenced in Section III., C. 3., of the Quality Assurance Evaluation Factor; Pages 149 and 189
9. Technical Descriptions referenced in Section III., E., of the Quality Assurance Evaluation Factor; Pages 149 and 189
10. Your firm's DLA Mentoring Business Agreement (MBA) Program Proposal and signed DLA MBAs which are currently in place referenced in Section VI of the DLA MBA Program Evaluation Factor; Pages 156 and 192
11. Subcontracting Plan (if applicable); Note: This is required for those offerors who are large business concerns, Attachment 3, Page 212.
12. Socioeconomic Considerations; Pages 152 and 190
13. Organizational Chart, referenced in Section I., A. 2., of the Corporate Experience/Past Performance Evaluation Factor; Pages 142 and 183. To include list of briefers and their titles.

Page 140 is to be replaced with the following:

14. Briefing Charts, to include any presentation materials to be used (i.e., slides, videos, etc.)

15. Contents of your entire business proposal to include option year pricing. Pages 159-182.

16. List of location(s) that will serve as distribution point(s) from which product will be shipped on a routine basis. Pages 147 and 187.

17. In addition, for efficiency during site visits, please submit maps and directions from closest airport to facility.

Page 141 is to be replaced with the following:

Submission Requirements

Technical Proposal - Part 1

Note: An asterisk (*) denotes that information which must be submitted in writing as part of the Written Technical Proposal.

I. CORPORATE EXPERIENCE/PAST PERFORMANCE

Offerors that are proposing a joint venture, partnership, or a teaming approach should provide experience and past performance information for the offering joint venture, partnership, or team. You should also provide information on each team member or party to the joint venture or partnership (i.e. when each of these entities acted alone or as members of other teams/joint ventures). However, the most relevant experience and past performance data, and that which will receive the most credit, is the information directly related to the offering entity. You may also provide information related to key subcontractors, parent corporations, or other affiliates that will perform essential functions of the contract.

** A. Corporate Experience*

Discuss the extent of experience similar to the proposed contract's requirements. Provide the following information on the form entitled "Corporate Experience", Attachment #6 to this solicitation.

- * 1. The number of years performing as a prime vendor/regular dealer capacity.
- * 2. Prime Vendor/regular dealer sales dollar volume for the latest yearly reporting period.
- * 3. The total number of customers currently serviced under a prime vendor/regular dealer arrangement.

Page 142 is to be replaced with the following:

* 4. The average total number of prime vendor/regular dealer orders processed in a week for your largest customer based on the latest yearly reporting period.

*5. An organizational/management chart of the firm(s) that will actually provide the required services. This chart shall identify key personnel who are responsible for the day to day management, and overall success, of the Prime Vendor program. Please do not submit corporate charts, unless the people involved will be directly involved in the proposed contract. Note: Also include a list of the names and titles of briefers at the oral presentation.

B. Past Performance

This information is to be annotated on the form entitled "Past Performance", on Attachment #6 to this solicitation.

* 1. Provide a brief performance record of your five (5) highest dollar value contracts over the last three (3) years. Specify which contract you consider to be the most successful and explain why. Include any problems that you have encountered during the performance of the respective contract and the steps that were taken to resolve them, along with their resolutions. The offeror should submit information regarding its socioeconomic accomplishments and performance in carrying out Mentoring Business Agreement (MBA) proposals as part of its past performance information. Address the following for EACH of the five (5) contracts:

Page 143 is to be replaced with the following:

- * a. Annual Dollar Value
- * b. Fill Rate, listed monthly for the most recent 12 months of the contract (both with and without substitutions).
- * c. Delivery Frequency
- * d. Length of time that the account has been serviced
- * e. Point of contact and phone number (please be sure that this information is up to date.
- * f. Problems/Resolutions
- * g. Brief performance record.

- The following will apply if Government contracts are referenced.

- * h. Contracting Agency
- * i. Contract Number
- * j. Contracting Officer and phone number
- * k. Socioeconomic and mentoring performance

• 2. Furnish a copy of any awards or certifications received that are indicative of your firm's commitment to providing a high level of service.

II- DISTRIBUTION SYSTEM/CAPABILITY

A. Product Availability

1. The current item catalog for the customers under this solicitation can be found under Attachment #5. The offeror must state how many of these items:

- Are currently available
- Will be sourced in the future OR
- Will not be sourced.

Page 144 is to be replaced with the following:

2. Discuss your firm's current product mix, i.e. national brand item vs. private label items. Also indicate how many dietary products, nutritional supplements, and individual portion items are carried in your inventory. Indicate if you can supply all Class I (food) items as requested by our customers. NOTE: If you state you will be able to supply all items, it is expected that any item not currently in your inventory at the time of the award that is requested by one of our customers during the Post Award cataloging process, will be readily available for issue upon the "first order".

* 3. State the minimum case quantity/velocity that is required in order for your firm to add products requested by the customer to normal inventory. A minimum of more than 20 cases per month is not acceptable. State the time frame in which you will add new items to your inventory.

4. The offeror must provide fill rates that demonstrate the capability to meet proposed contract ordering and delivery requirements in a timely manner. The proposed fill rates should be stated as "with substitutions" and "without substitutions". Describe how you intend to meet these goals.

5. Describe your product accountability program. Thoroughly discuss the procedures employed to ensure that orders are filled accurately and completely.

6. Specify the proposed hours of operation in order to meet the delivery requirements for each customer. Discuss how your firm will make deliveries within the time frame specified.

* 7. Discuss your policy for breaking cases and indicate for which items this can be done, and if there is a fee charged for this service.

8. Provide inventory turnover rate information for overall warehouse for the last three (3) years.

9. Describe how and what steps your firm takes to insure that only products that comply with the Berry Amendment will be shipped to the customer.

Page 145 is to be replaced with the following:

B. Distribution Resources

1. Describe how your firm's available capacity would sufficiently support the requirements and the quality service expected from this solicitation. Include, but do not limit your discussion to space, warehouse, truck, and resource availability.

C. Ordering System

1. It is essential that the offeror's ordering system be able to interface with the Government's established translation package, STORES, and support the Electronic Data Interchanges transaction sets listed in this solicitation. State whether your firm is currently capable of interfacing with the Government's ordering system. If the offeror is not currently capable of accepting orders via STORES, outline an implementation plan, including time frames, to become EDI capable. In addition, the Government is working towards an Electronic Invoicing System which will be in place at the start of the contact. This adds to the requirement of the offeror to be able to transmit an 810 transaction set. Prior to contract start-up, the Government may choose to test your support of the following EDI transaction sets, by having offeror transmit an 832, 810 or 997 transaction set.

2. The offeror must describe its technical capability to establish the required interface with the Government via EDI.

3. Discuss whether your firm has access, or plans to obtain access to the Internet. Discuss whether your firm currently or plans to use the internet to transmit data.

Page 146 is to be replaced with the following:

4. Indicate if your firm can transmit all of the required reports, as listed on pages 62-65, electronically. Also, state whether your firm can supply any additional reports that will be of benefit to the government.

5. Discuss how your firm will handle customers who are not equipped with STORES software.

D. Customer Service Approach

NOTE: Value added customer support and services that enhance this acquisition past the point of solicitation requirements, will become part of the resultant contract.

1. Discuss routine customer support services that you provide to your best customers and will be provided to all customers supported under this solicitation. Include any services that may add more value to this acquisition. Specify the number of customer service representatives to be assigned to the contracts and explain how they will ensure that all the customers needs are accommodated. Also indicate the number of sales visits planned, and what services the sales representatives will perform. Be sure to indicate the availability of a toll free phone number / fax number for all customers.

2. Discuss how your firm will interact with the customers during their quarterly menu board meetings. Include any services that may add additional value to this acquisition.

3. Describe the process of advising customers of manufacturer's backorders, not in stocks, and substitutions. Address how your firm will ensure that these situations will not occur frequently.

4. Indicate how the performance of your firm will be monitored internally. Specify what performance-related aspects will be tracked and the frequency for each. Indicate what actions will be pursued in the face of anticipated delays.

5. Detail how deviations from the electronic order, such as add-ons, and cancellations will be handled and the charges associated with such, if applicable.

*3. The offeror must submit a readiness plan indicating how increased requirements will be supported with additional suppliers, subcontractors, warehousing, etc., which may become involved in supporting this effort.

III - QUALITY ASSURANCE

A. Supplier Selection Program

1. Address your firm's procedures and policies for selecting quality suppliers.
2. Discuss the processes utilized by your firm to purchase products of consistent high quality with minimal variation on product appearance, grade, yield, taste, texture, etc.
3. Describe the methods utilized by your firm to ensure that standardized product quality will be maintained when products are acquired from various suppliers.

B. Quality Control and Assurance Procedures

Describe the quality control procedures to be used under proposed contract. Include a discussion on inventory control, identification, and correction of discrepancies, resolution of customer complaints, and inventory rotation methods for your firm, and how you will control your inventory to ensure compliance with the Defense Appropriations Act/Berry Amendment previously explained on page 36. Address all labels of products within your inventory (house brands, proprietary items, etc.)

C. Inspection and Sanitation Procedures

1. The offeror must thoroughly discuss the inspection procedures employed to guarantee the movement of quality products. Include the frequency, type, and amount of inspection; product characteristics to be inspected; criteria for approving and rejecting products; record for documenting inspection results; and the method for identifying the inspection status of approved and rejected product. Be sure to address all labels of products within your inventory (house brands, proprietary brands, etc.)

Page 149 is to be replaced with the following:

2. Discuss procedures that will be used to insure that delivered orders will conform to the following:

- a. Correct items ordered, in the correct quantity
- b. Proper shelf life dating
- c. Meets industry standards for product quality

3. Describe the Sanitary Control Procedures and Stored Products Pest Management Program utilized by your firm to ensure that sanitation and warehousing practices are in accordance with acceptable industry standards.

* 4. Attach copies of your most recent inspection reports for your firm. If your offer is a partnership or a teaming effort, recent sanitary inspection reports must be submitted for all parties involved.

D. Recall Procedures

1. In addition to the required recall procedures outlined in the Addendum to Clause 52.212-4 "Contract Terms and Conditions - Commercial Items", thoroughly outline your procedures for notifying customers and DSCP of any recalls. Detail the time frames involved and how recalled products will be identified, both at the customer's facility and in your warehouse.

2. Describe how recalls of differing types are how they are handled.

** E. Technical Descriptions*

1. At the time of the initial submission of the proposal, the offeror shall provide a set of product technical descriptions (specifications) for ALL of the "Market Basket" Items, whether sourced or supplied, identified in this solicitation, IF the product being offered is not an "identical match". Meat items that are considered an "identical match" shall meet all the general and detailed requirements of the NAMPS Meat Buyers Guide (i.e. Purchaser Specified Options (PSO). Fat limitations - unless otherwise specified the maximum average fat thickness shall be 0.25 inch and trim, weight and thickness tolerances, and the

Page 155 is to be replaced with the following:

with this proposal. If an individual contract subcontracting plan is submitted, the plan must contain separate small, HUBZone small, small disadvantaged, and women-owned small business subcontracting percentages and dollar levels for the base year as well as each option year.

V- Procurement Pricing Plan

1. Procurement Pricing Procedures

a. The offeror should describe how unit prices are formatted and discuss the variable that may affect the price. Include the methodology used to "cost" products for items acquired from any divisions, subsidiary, or affiliates.

b. Describe the purchasing methods utilized and how they take advantage of price discounts, such as market pricing, commercial catalog pricing and competitive purchasing. State whether quality of volume price discounts offered are based on anticipated sales volume under this contract or the total sales volume for the company. Pricing of inventory adjustments, including breakage or spoilage, shall be provided.

c. Explain how the cost to your firm is converted to the delivered price (e.g. average monthly costs, LIFO or FIFO, last invoice methods, etc.).

2. Rebate Policy/Discounts/Allowances

The vendor shall address how rebates, coupons, discounts and allowances as a result of manufacturer or broker's specials, other than the NAPA Program or Food Shows, are to be returned to the Government. Describe the process for tracking and reporting of rebates, discounts and allowances, method of return (i.e. lump-sum reimbursement, deviated pricing) and overall management of the program.

NOTE: The Procurement Pricing Plan evaluation contains elements of both business and technical nature, but will be evaluated by the Technical Evaluation Panel.

e. *Distribution Price Category* - Description of Distribution Price Category, e.g. "Frozen Meats". If you also identify your category of items by number, list this number also.

d. *Delivered Price* - the price you actually paid for the item, as substantiated by manufacturer invoice.

e. *Distribution Price* - your distribution price

f. *Unit Price* - Delivered Price + Distribution Price

g. *Total* - Quantity multiplied by Unit Price

h. *DIP/DEP* - Distribution Price divided by the Delivered Price

i. *DP AGG* - Quantity multiplied by the distribution price.

Note: See sample spreadsheet of this format on page 162.

All prices submitted must not be more than two [2] places to the right of the decimal point **ONLY**. If you submit pricing **IN ANY COLUMN** of more than two [2] decimal places, we will automatically round up or down your prices using standard rounding.

7. When preparing the spreadsheet, totals must appear at the bottom on the "TOTAL" column, the "DIP/DEP" column, and the "DP/AGG" column. Firms are strongly encouraged to use Microsoft Excel to prepare spreadsheets and submit a 3½" disk with the complete spreadsheet on it. Remember to include the offeror's name of the top of the spreadsheet.

8. Each firm must submit a paper hard copy of their spreadsheet, for base year and each option year as well as a copy of the spreadsheet(s) on a disk.

NOTE: PLEASE USE AN ANTI-VIRUS UTILITY TO ENSURE DISK IS FREE OF VIRUS BEFORE SUBMITTING.

PAGE 162 IS TO BE REPLACED WITH THE FOLLOWING:
SAMPLE FORMAT FOR BUSINESS PROPOSAL SPREADSHEET--DO NOT DEVIATE

BASE YEAR:

Item	Identical Match [Y/N]	Estimated Quantity	Delivered Price [DEP]	Unit of Issue	Distribution Price Category	Distribution Unit Price (DIP)	Total	DIP/DEP	DP	AGG
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OPTION YEARS: INDICATE CHANGE FROM THE BASE YEAR IN PERCENTAGE FORM:

INCREASE | DECREASE | NO CHANGE

OPTION YEAR 1:

OPTION YEAR 2:

OPTION YEAR 3:

OPTION YEAR 4:

Page 163 is to be replaced with the following:

9. For evaluation purposes of the market basket of items, distribution prices shall correspond to the government's unit of issue for each product, e.g. if the offered product is issued on a "per pound" basis, the distribution price shall be "per pound".

10. MANDATORY SUBMISSION: Option year prices must be submitted as a percentage (increase or decrease) (e.g. +/-0.25%) from the base year. The firm may elect to state that their option increase would only take affect if the change in the Consumer Price Index exceeds a stated percentage. The offeror may choose to indicate "no change" in distribution fees for option years. If so, this must be stated in lieu of a percentage. See page 162 for format.

B - DISTRIBUTION PRICES

1. Firms shall offer a distribution price for each category of items. *The distribution price must be offered as a dollar amount.* Distribution prices offered as a percentage of the delivered price are not acceptable. The distribution price shall represent the amount to be added to the actual invoice price paid by the prime vendor for each food and beverage product to the manufacturer or supplier.

2. Offerors are strongly urged to use the Government's Category List as outlined in paragraph E of the section entitled "Supplies/Services and Prices" when submitting their Distribution Prices. However, offerors may submit their own food and beverage category listing on which distribution prices are based, subject to the restrictions as outlined in the above listed section. As stated previously, there is a fifty [50] category limit.

3. For Distribution Price Category Listing, prices are to be offered in the same manner in which you sell the product. For example, if you sell a product by the case, then the distribution price will be by the case. Whereas, if you sell the product by the pound or by the each, the distribution price would be listed accordingly. The distribution prices must be stated in a dollar amount, with not more than two places to the right of the decimal point. The distribution prices shall remain constant for the complete term of the contract.

Page 164 is to be replaced with the following:

4. Offerors - Certify One Of The Following:

() THE DISTRIBUTION PRICES OFFERED ARE "BETTER THAN" MOST OF THE FEES OFFERED TO MY BEST CUSTOMERS.

() THE DISTRIBUTION PRICES OFFERED ARE "THE SAME AS" MOST OF THE FEES OFFERED TO MY BEST CUSTOMERS.

() THE DISTRIBUTION PRICES OFFERED ARE "AMONG THE BEST" OF THE FEES OFFERED TO MY BEST CUSTOMERS.

C - PRODUCT LISTING

The offeror shall submit two (2) copies of its complete product listing for all food, beverage, and related non-food items as part of the Business Proposal.

D - SCHEDULE OF ITEMS

A reminder that all items procured under the resultant contract are subject to all contractual clauses and regulations, including, but not limited to the Berry Amendment, procured from a Sanitarily Approved Source, etc.

Page 170 is to be replaced with the following:

ESTIMATED ANNUAL REQUIREMENTS (Continued):

<u>DSCP Stock Number/ Description</u>	<u>Unit of Issue</u>	<u>Estimated Requirements</u>
25. 8905-01-E09-4040 <u>FRANKFURTERS, BEEF & PORK</u> Frozen, 10/lb, 6 in. long, 10 lb pg	LB	6,480
26. 8905-01-E09-2542 <u>FRANKFURTERS, BEEF</u> Frozen, Skinless, 10/lb, 6 in. long, 10 lb pg	LB	6,960
27. 8905-01-419-3218 <u>CHICKEN, CUT-UP,</u> 8 Piece, Frozen, Ready-to-Cook, Broiler/Fryer, Grade A Equivalent, 3 to 3-1/2 lb, 10 lb	LB	407,040
28. 8905-00-079-2796 <u>CHICKEN PARTS, FULLY COOKED,</u> Breaded, Frozen, Broiler or Fryer, Drumsticks, Thighs, and Breast halves, for heating in a deep fat fryer	LB	115,596
29. 8905-00-491-7208 <u>CHICKEN, QUARTERED</u> Frozen, WO/BNG, Ready-to-cook, Broiler/Fryer, Grade A Equivalent, 3 to 3-1/2 lb (1.36 kg to 1.588 kg), 10 lb bag	LB	286,080

Page 186 is to be replaced with the following:

B. Distribution and Resources

The firm's available capacity and resources will be evaluated as to how the requirement of the solicitation will be supported. Included, but not limited to, are warehouse space, delivery vehicles and equipment and other resources.

C. Ordering System

1. The Government will evaluate the offeror's ability to interface with STORES and transmit the transaction sets listed in the solicitation. The offeror may later be requested to transmit 832, 977 and 810. If applicable, the offeror's plan to become EDI capable will be evaluated.

2. The Government will access the capability of the offeror to receive orders and other information via the Internet, or its plans to obtain such access.

3. The firm must be able to produce all required management reports. Reference, Special Contract Requirements, Pages 62-65. The ability to produce additional management reports that would benefit the Government, other than those listed as a requirement of the solicitation, will be looked at. Firms that are capable of submitting management reports electronically will also be evaluated.

4. The firm's ability to support the needs of the customers who are not equipped with the STORES system will be assessed. Highest consideration will be given to electronic "user friendly" ordering systems that have the capability to produce printed confirmation reports and to update prices.

D. Customer Service Approach

1. The routine customer support services offered by the firm will be assessed to determine its commitment to customer satisfaction and business like concerns for its customers.

Page 188 is to be replaced with the following:

F. Surge/Mobilization

1. The Government will evaluate the offeror's ability to support "surge" requirements. The capability to swiftly react to this situation will be assessed.
2. The offeror's ability to respond to increased consumption requirements for an extended period of time will be evaluated. Firms must demonstrate the ability to maintain a high level of performance for a span of time, usually with less than thirty (30) days notice.
3. The firm's readiness plan will be assessed for completeness and ingenuity.

III. QUALITY ASSURANCE

The subfactors for Quality Assurance factor are in descending order of importance.

A. Supplier Selection Program

1. The Government will evaluate the offeror's supplier selection program. This evaluation will be conducted to determine the effectiveness of the program to provide continued supply of quality products with minimal variation.
2. The offeror's methods to ensure that standardized product quality will be maintained when products are received from various suppliers will be evaluated.

B. Quality Control and Assurance Procedures

The Government will evaluate the offeror's QC and QA procedures for all inventory to include various labels (e.g., house brands, proprietary brands, etc), including its inventory rotation methods, identification and correction of discrepancies, resolution of customer complaints, and inventory control methods to ensure compliance with the Berry Amendment.

Page 189 is to be replaced with the following:

C. Inspection and Sanitation Procedures

1. The Government will assess the offeror's proposed inspection procedures, including type, frequency and amount of inspection to ensure that proper procedures are maintained.

2. Procedures to ensure that the order conforms to the items ordered in the correct quantity, has the proper shelf-life dating, is free of damage and meets industry standards for product quality, will be evaluated for all products in inventory to include various labels (e.g., house brands, proprietary brands, etc).

3. The offeror's Sanitary Control Procedures and Stored Product Pest Management Program will be evaluated. This evaluation will include sanitary inspection reports and any ratings as applicable (e.g. AIB, ASI)

D. Recall Procedures

1. The offeror's recall procedures will be assessed for timeliness and thoroughness will be evaluated. The methods used for notification and identification will be judged.

2. The firms' methods for handling various types of recalls will be assessed.

E. Technical Descriptions

The Government will evaluate if the offeror can provide the products which meet minimum salient requirements of the items listed in the solicitation. The offeror will be evaluated for the ability to provide items that meet the item description (or commercial equivalent) via their statement of "Identical Match" on the Business Proposal (reference page 149) or their inclusion of a technical specification.

Page 191 is to be replaced with the following:

firms. The offeror that has the highest percentage of participation with SB, SDB, and WOSB combined, at the contract and subcontract level, will receive the highest rating. Offerors that are small business concerns will receive additional credit under this factor.

V. PROCUREMENT PRICING PLAN

The subfactors for Procurement Pricing Plan factor are in descending order of importance.

1. Procurement Pricing Procedures

a. The manner in which prices are formulated will be evaluated. The method used for product costing for items acquired from any divisions, subsidiary or affiliate will be assessed.

b. The Government will evaluate the offeror's purchasing procedures to assess its effective use of price economies. Purchasing procedures that are indicative of effective buying techniques by utilizing market prices, commercial catalog prices and price competition will be evaluated.

c. The offeror's method for converting its cost to a delivered price will be examined.

3. Rebates/Policy/Discounts/Allowances

a. The Government will judge the offeror's policies for pursuing, managing and collecting rebates, coupons, discounts and allowances.

b. The offeror must demonstrate an aggressive policy towards returning the monies realized as a result of these savings to the Government.

Page 192 is to be replaced with the following:

VI. DLA Mentoring Business Agreement (MBA)

The Government will evaluate the offeror's response to participating in the DLA MBA Program and its ability to mentor firms. The scope of the plan will also be evaluated. The Government will evaluate the offeror's response to participating in the DLA MBA Program and its ability to mentor firms. The responses from offers on the MBA Program will be evaluated on a comparative basis amongst all offerors. The offeror(s) indicating the most comprehensive plan(s) will receive the highest rating. This evaluation will also be used to determine the offeror's willingness to assist SB's, SDB's and WOSB's in expanding their businesses.

COMPETITIVE RANGE DETERMINATION

The following is a reminder from the FAR 15 Rewrite dated September 1997.

*After the technical evaluation panel and business evaluation panel has completed their evaluation and submitted their ratings for all offerors to the Contracting Officer, the government **MAY** exercise it's right to eliminate offerors from the competitive range. This determination is based on how your company's technical proposal and business proposal is rated. If you receive an overall rating of "Fair" or "Poor" on your technical proposal, and the weaknesses or deficiencies found are not considered to be readily correctable either through further discussions or actions taken on your part, you **MAY** be eliminated from the competitive range. In making the determination, it is also taken into consideration the rating that your company has received in relationship to ratings given to all of the other offerors. **EACH OFFEROR'S TECHNICAL PROPOSAL IS EVALUATED SEPARATELY BY THE TECHNICAL EVALUATION PANEL IN ACCORDANCE WITH CRITERIA SET FORTH IN THE SOLICITATION.** To the offeror, this determination means that you will not be part of any further discussions or be under consideration for award. If you are determined to be out of the competitive range, you will be notified in writing immediately. At that time, you may ask for a debriefing, but only limited information will be available to you as the solicitation will still be in the negotiation phase. If you ask for a debriefing at this time, you will not receive a second debriefing after the award is made. You have to the right the challenge findings of the Technical Panel that eliminated your firm from the competitive range.*