

AMENDMENT OF SOLICITATION/MODIFICATION OF CONTRACT

1. CONTRACT ID CODE PAGE OF PAGES
1 72

2. AMENDMENT/MODIFICATION NO. 0002
3. EFFECTIVE DATE Mar 3, 2009
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, FTAF
700 Robbins Ave.
Philadelphia, PA 19111-5092
Thomas Schrank, Contract Specialist (215) 737-4526

8. NAME AND ADDRESS OF CONTRACTOR (No., street, county, State and ZIP Code)
9A. AMENDMENT OF SOLICITATION NO. (X) SPM300-08-R-0011
9B. DATED (SEE ITEM 11) Feb 3, 2009
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.

Offers 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 your 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 ONLY APPLIES TO MODIFICATION OF CONTRACTS/ORDERS. IT MODIFIES THE CONTRACT/ORDER NO. AS DESCRIBED IN ITEM 14.

CHECK ONE
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.)

ADDITIONAL DETAILS OF THIS AMENDMENT ARE PROVIDED ON THE FOLLOWING PAGES

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)
15B. CONTRACTOR/OFFEROR
15C. DATE SIGNED
16B. UNITED STATES OF AMERICA
16C. DATE SIGNED
(Signature of person authorized to sign) (Signature of Contracting Officer)

THIS AMENDMENT CONTAINS REVISIONS (ADDS/CHANGES/DELETES) TO THE SOLICITATION

Please delete the most recent price proposal spreadsheet entitled “SPM30008R00110001misc.xls” and replace with the price proposal spreadsheet that will accompany Amendment 0002, entitled SPM30008R00110002misc.xls. The new spread locks the column entitled “UOM” under Tab 2, entitled “Okinawa Distribution Categories.” The data in this field is considered LOCKED and CANNOT be adjusted or changed for any reason. The other change for Tab 2 is the addition of Category 72, entitled “Fresh Fruits and Vegetables (FF&V) Disposal”, with a UOM of CS. Please make sure to offer a price for this category in your Business Proposal. Also, the title in Column J of Tab 1, “Okinawa Price Proposal”, has been changed to “Invoice / Quote UOM Product \$.”

Please remember to fill out the Pricing Proposal spreadsheet (SPM30008R00780002misc.xls) completely to include Tab 1 (Okinawa Price Proposal) and Tab 2 (Okinawa Distribution Categories).

Please make sure the information provided for your authorized negotiators is clear and complete on page 3 of the solicitation.

Please make sure that you list all of your places of performance, to include any and all commercial distribution facilities, both CONUS and/or OCONUS to include the GOCO, where product will be inventoried, loaded for ocean transport, or point of distribution to the customer. Please reference page 6 of the solicitation under number 8 of the Caution Notice section entitled “Did You Remember?”, as well as page 185 under FAR 52.215-6, Place of Performance. Please add additional pages to provide this information as necessary.

1. Page 6, Number 4 under the Reminder Chart, please delete this paragraph in its entirety and replace it with the following:

Prepare and return 6 copies of the Technical Proposal and 2 copies of the Business Proposal?

2. Page 6, Number 6 under the Reminder Chart, please delete this paragraph in its entirety and replace it with the following:

Submit manufacturer’s invoices for every item listed in the Schedule of Items? Note*: A supplier’s quote is acceptable but an invoice is preferable. The invoice or supplier’s quote that you submit must be dated within thirty (30) days prior to the solicitation issue date. * Refer to solicitation for actual requirements.

3. Page 43, I. Introduction, Please make the following changes to second sentence of paragraph D:

The contract shall be for a base term of two years and includes one (1) available option period of two (2) years.

4. Page 44, paragraph C. under II. Worked to be Performed, please delete the paragraph in its entirety and replace it with the following:

The Prime Vendor must supply all products to the customers from their facility with a minimum of 30 days of the original shelf life shall be remaining at time of delivery. If product is manufactured with 90 days of shelf-life or less, the Contracting Officer requires a minimum of 14 days remaining shelf-life at time of delivery. For items manufactured with less than 14 days of original shelf-life, the vendor will deliver wholesome product with the freshest shelf-life available. The vendor will closely coordinate production and delivery times in order to insure that product will meet the end-use customer's usage needs. As with any substitution, the vendor must receive the customer's prior approval if product offered for delivery will possess a lesser shelf-life. Chilled products shall not be frozen in an attempt to extend the *products'* shelf life. The Food Service Representative and/or Veterinary Inspector will make final determination as to whether or not the product is in an acceptable condition/fit for consumption.

5. Page 50: Last paragraph of the Section 9, please delete the paragraph and replace with the following:

When submitting a request for airlift approval via email, the following personnel must be copied on the request: Gina Vasquez (Chief-Pacific), Thomas Haley (Contracting Officer), Tom Schrank (Contract Specialist), Gina Cimino (Account Manager), and Jackie Parker (COR). The COR and the Account Manager will provide feedback regarding the validity of the request as well as any other information necessary in order to assist DSCP in making an approval/disapproval. Based on the stock availability, AMD, RDD, and size of the requested customer order a decision will be made by the Contracting Officer for approval/disapproval. For those requested items with stock positions found to be below the required 300% surge/mobilization requirements, the Prime Vendor will be responsible for the airlift fees associated with those items.

6. Page 67, under paragraph B. Distribution Categories, Under XIV. Categories of Items, please add the following to the list of categories after number 72:

Category Items	Cat. #	UOM
Fresh Fruits and Vegetables (FF&V) Disposal	72	CS

7. Page 92, paragraph B., under XXXVI. Items, please replace the third sentence of the paragraph with the following:

Lead-time from the receipt of purchase order will be the normal period of 48 hours.

8. Page 126- 127, please replace all references to “Contractor Capability Plan” with “Capability Assessment Plan.”

9. Page 132, under part H. of section II. Management Reports, please include the following sentence:

f. The customer ordered more than 300% of the item's average monthly demand (AMD).

10. Page 142, section A. paragraph 1, please update the first sentence to read the following:

Provide a brief performance record of your five (5) highest dollar value or most comparable Prime Vendor/Regular dealer contracts for the period from January 1, 2006 through December 31, 2008 (the “selected contracts”), whether they are commercial or Government contracts.

11. Page 142, section A. paragraph 1, sentence vi., please update the sentence to read the following:

vi. Fill rate, listed monthly for the 12 months of the contract immediately preceding January 1, 2009, with and without substitutions;

12. Page 143, section B. sentence v., please update the sentence to read the following:

v. Socioeconomic performance, to include subcontracting goals* and actual socioeconomic subcontracting numbers for the 12 months of the contract immediately preceding January 1, 2009;

13. Page 143, section B. sentence vi., please update the sentence to read the following:

vi. JWOD performance, to include goals, as a percentage of total contract dollar value, and actual JWOD numbers for the 12 months of the contract immediately preceding January 1, 2009;

14. Page 147, the first paragraph under VI. Socioeconomic Considerations, Please delete the last sentence and replace with the following:

A point of reference may be to obtain at least 30% of the supplies for the proposed contract from SB firms, 5% from WOSB, 5% from SDB firms, 2% from VOSB firms, 1% from SDVOSB firms, and 2% from HZSB firms. However, knowledge of the Industry and the business size of product suppliers are the responsibility of the prime vendor since the goals submitted will be the basis for which performance is evaluated.

15. Page 147, paragraph 2 under Socioeconomic Definitions, Please add this sentence to the end of the paragraph:

Hub Zone Small Business status requires certification by the Small Business Administration.

16. Page 148-149, paragraph 3, under section A. Socioeconomic Goals, please replace the paragraph in its entirety with the following:

3. The following is the preferred format for the submission of socioeconomic data. Separate subcontracting goals must be submitted for each proposed contract.

	<u>Dollar</u>	<u>Percent</u>
1. Total Contract Price	\$ _____	
2. Total to be Subcontracted	\$ _____	100%
a. Total Large Business	\$ _____	_____
b. Total Small Business	\$ _____	_____
1) SDB	\$ _____	_____
2) WOSB	\$ _____	_____
3) VOSB	\$ _____	_____

4) SDVOSB \$ _____
5) HZSB \$ _____

NOTE:

- 1) Total to be subcontracted is the sum of (1) Total Large Business and (2) Total Small Business.
- 2) Total Small Business includes 1) SDB; 2) WOSB; 3) VOSB; 4) SDVOSB; 5) HZSB.
- 3) When calculating figures for socioeconomic goals, the business size of the manufacturer is to be considered, NOT the business size of the broker/agent that may have supplied the product to the distributor.
- 4) If the offeror is a SB, SDB, WOSB, SDVOSB, VOSB or HZSB, the offeror may NOT include its “cost of doing business” as part of the subcontracting goals proposed for this acquisition.
- 5) Offerors that are small businesses will receive additional credit under this factor for evaluation purposes.
- 6) Performance on prior contracts in subcontracting with and assisting SB, SDB, WOSB, SDVOSB, VOSB, and HZSB will be part of the past performance evaluation.

17. Page 150, VII. Javits-Wagner-O’Day Act Entity Support, please delete this section in its entirety and replaces with the following:

VII. ABILITY ONE (JAVITS-WAGNER-O’DAY ACT – JWOD) ENTITY SUPPORT

A. The offeror must provide the following:

1. A description of the efforts your company will make to assure that Ability One nonprofit agencies for the blind or other severely disabled will have equal opportunity to compete for subcontracts under any resulting contract. Describe your current and proposed range of services, supplies, and any other support that will be provided to you by Ability One nonprofits. Include specific names of such subcontractors, to the extent they are known.
2. Describe any future plans your company has for developing additional subcontracting possibilities for Ability One nonprofit agencies, or ways in which these entities could be partnered with other business and agencies in opportunities to diversify revenue production during the contract period.
3. *Specify what portion of your proposal, as a percentage of dollars, will be subcontracted to Ability One entities.
4. Progress reports in reference to your subcontracting efforts with Ability One nonprofit agencies will be submitted to the Contracting Officer as part of your monthly socioeconomic report. Provide the name and title of the individual principally responsible for ensuring company support to such entities (generally, this is the individual responsible for subcontracting with small business concerns).

18. Page 150, the first paragraph under section VIII. DLA Mentoring Business Agreement (MBA), please replace the second sentence of the paragraph with the following:

Prime contractors may also mentor Ability One (JWOD) qualified nonprofit agencies for the blind and other severely disabled that have been approved by the Committee for Purchase from People Who Are Blind or Severely Disabled under the JWOD Act.

19. Page 151, the second paragraph under section VIII. DLA Mentoring Business Agreement (MBA), please replace the first sentence of the paragraph with the following:

DLA MBA's encourage participation and growth opportunities for small business/Ability One nonprofit agencies that will participate in carrying out the requirements of the prime contract.

20. Page 151, the third paragraph under section VIII. DLA Mentoring Business Agreement (MBA), please replace the first sentence of the paragraph with the following:

An MBA shall be a written agreement between the prime contractor and the small business/Ability One nonprofit agency.

21. Page 151, the paragraph a under section 1. Participants, please replace the paragraph in its entirety with the following:

a. Name, address, and plant location for contract holder and potential or actual small business or Ability One participant(s).

22. Page 152, the paragraph 1 under section A. Agreement Types, please replace the first sentence of the paragraph with the following:

Describe the type of agreement executed by the contract holder and the small business/Ability One nonprofit agency.

23. Page 152, section B. Measurements and Reporting, please replace this section in its entirety with the following:

B. Measurements and Reporting

1. Provide milestones for program implementation.
2. Discuss and describe the measurement/yardsticks that will be utilized to determine if the program objectives have been met. Projections of successful measurements should result in:
 - a. An increase in the dollar value of subcontracts awarded to the small business/Ability One nonprofit agency under DLA contracts.
 - b. An improvement in the participation in DoD, other Federal agencies and commercial contracting opportunities.
3. Mentors will be required to submit periodic progress reports on their agreements.
4. Copies of signed MBA's that are currently in place (and will apply to the proposed contract) are required to be submitted.

24. Page 154, part a. under paragraph B under (ii) Item/ Product Price, please update paragraph 3. to the following:

3. two-year estimated quantities and the Unit of Issue ("UOI") being solicited, e.g, CN, CS, LB

Questions from the Korea/ Okinawa Preproposal Conference
February 11, 2009

First we would like to thank you for your insightful questions regarding this solicitation. They are very much appreciated.

Please be advised that all of the below questions were received from potential offerors before, during and after the pre-proposal conference (both in writing and orally). Questions 1 through 49 apply to both the Korea and Okinawa solicitation, while questions 50 -57 are Okinawa specific. They are being published in this Amendment 0002 so that all offerors will be provided the same information with regards to this solicitation.

NOTE: Answers are immediately following each question in **BOLD**.

1. Page 51: USC Carrier Agreement - Is it required to have a signed agreement with the carriers as part of the solicitation or would it be required after award?

The agreements would be put in place post award during the implementation period once a dedicated point-to-point route has been established and an ocean carrier has been assigned.

2. Price Proposal: The price proposal show annual amounts for line items units in LBS, or CO or CX or CN or BX or BG or PG or EA or HD or JR or BT. What is the designation of each unit abbreviation?

The designation for each abbreviation is as follows:

LB = Pound
CO = Container
CN = Can
BX = Box
BG = Bag
PG = Package
EA = Each
HD = Hundred
JR = Jar
BT = Bottle

CX is an incorrect abbreviation and can be deleted from the list.

3. Price Proposal: With delivery locations which include various stops, and the Price Proposal indicates only an annual figure with eleven different measurement of units, it is not possible to accurately determine the throughput of Dry, Chill Freeze and determine the correct facility size. Can figures such as Case and LBS or KGS delivered to each location on an annual basis be supplied?

The exact annual quantities per customer cannot be supplied for this solicitation. Since this contract is indefinite quantity contract, these figures can only be given as estimates because they can fluctuate during the life of the contract. However, what is provided is the estimated annual quantities in the market basket, the customer delivery points, weekly frequency of deliveries and the estimated dollar value for the contract.

4. Page 79 (C): Produce – A separate distribution price will be paid to the PV for product re-worked; what will this price be? For product that is re-worked and the unusable balance can not be delivered, it will have to be disposed. Will DSCP also pay to for the disposal and transport fees to the disposal site?

The price for produce rework is a negotiated distribution price that will be submitted as one of the distribution categories on the pricing proposal spreadsheet attachment. It is anticipated that all aspects of the rework process will be included in your Produce rework distribution price. As for disposal, a distribution price category will be added to the list to cover FF&V disposal price.

5. Page 82: URG Inspection – In exchange for open case examination and rework the contractor will be paid a fee per case. What is this fee amount? Also for the product that is unusable and cannot be delivered, it will have to be disposed. Will DSCP also pay to for the disposal and transport fees to the disposal site?

The fee is the distribution price the offeror submits and is approved by the Business Panel during negotiations. Distribution prices will be submitted for UGR handling, rework and disposal on a per case basis. Please see the updated distribution categories in Amendment 0001 of the Okinawa Solicitation, as well the Pricing Proposal spreadsheet attachment found on DIBBS.

6. Page 92: PKI Certificate – What is the acronym stand for? Is it required to be set up before or after award?

PKI stands for Public Key Infrastructure. The successful offeror will register for this PKI certificate during the contract implementation period.

7. Page 92: The prime vendor has to have the ability to source locally and deliver produce, fresh milk, bread. What is the list of items that are required? The requirement for these products are under the Berry Amendment and are to be grown or produce in the USA except as listed. Is Fresh milk and bread are to be produced in the USA? It is unlikely to be USA product so there is a conflict. The Produce is to be grown in the USA but sourced locally. Does this mean purchase imported from USA produce? If correctly understood, the Lead time for customer order to delivery maybe as little as 24 hours, is this correct? It is unlikely to be able to procure the market ready items and have them delivered in that short time frame. Is there a fill rate requirement on these items? Fresh Produce prices fluctuate based on seasonality, market demand and supplies. How is this to be priced? Market price + distribution fee?

With perishable fresh produce, once the product is purchased from the local supplier unless there is a defect there are no returns. What would the policy be for DSCP customers ordering the incorrect amount and want to reject or turn back a portion of the order?

What are the items, carton or LBS for each location for the last year?

Will suppliers of Market Ready products have to be approved sourced by Vetcom?

Fresh Bread and Bakery products are currently not a requirement for this contract. Fresh Milk is currently supplied by a local, VETCOM approved source and delivered by the Prime Vendor. The successful offeror maybe required by the customer to source locally and deliver produce at the activities request. Pricing for these items will be the same as the pricing found page 74 of the solicitation. Twenty- four hour delivery time is incorrect and should 48 hours. This will be corrected in Amendment 0002. The fill rate requirements for these items are the same as any other item ordered on this contact. For produce, if the incorrect order is due to a DSCPP error, we will absorb the cost and find alternate use for the produce. If the error is customer driven and a change notice is not received by DSCPP prior to stated deadlines, as outlined in DSCPP customer issued policy letters, then the customer is solely responsibly for complete payment, use and or disposal of the ordered produce. As of now, the responsibility of the prime vendor is to just rework and deliver the already supplied produce from the DSCP Produce Contract. In the future the prime vendor maybe asked to procure hardy and holiday produce items for the contract. If that occurs, estimated quantities for each item will supplied to the vendor. All local and CONUS sources of market ready type items must be approved by VETCOM.

8. Page 98: Food Establishments – Will commercial facilities offered be required to have VET approval prior to award if not yet inspected during the bid process?

An offeror’s commercial facilities should be VETCOM approved prior to award of the contract. We strongly suggest that you indicate this in your proposal and include the VETCOM approval certification. If it is in the process of approval, please include in your proposal that you have begun the process. If the facility is not VETCOM approved, please send a request to the Contracting Officer, who will coordinate with VETCOM to begin the approval process.

9. Page 121: Emergency Orders – Prime Vendor will provide a minimum of 2 emergency orders per mo per customer at no charge. What fee can be charged to cover costs above the 2 orders per customer per month?

It is up to the Prime Vendor whether or not to charge a fee for emergency orders over the two no charge emergency orders per month.

10. Page 34: DBA – Currently one insurance company is the US still offers DBA insurance. There were more, but after the financial markets collapsed in 2008, only one is left. What if no insurance company is willing to underwrite this insurance?

The requirement for DBA insurance is statutory and will apply even if no U.S. insurance companies will underwrite it. An offeror may attempt to comply with the DBA requirement by self-insuring, however, this requires recognition of self insurance status by the U.S. Department of Labor (DOL).

11. MPA (Manufacturers' Pricing Agreement): It is our understanding that awardee (Prime Vendor) will buy MPA items with FOB prices and the trucking costs are covered by the distribution fees. The question is as follows: In case of emergency, if it is OK when awardee (PV) purchases certain MPA items in the market, not directly from the manufacturers, with higher prices than the manufacturers' FOB prices but charges Government only the FOB price. The reason for this question is that awardee (PV) might have to purchase in the market with higher price in order to support customers and prevent NIS. For example, the FOB price of certain MPA item from the manufacturer is \$10.00 (FOB) but delivery time takes 2 weeks. Then, PV might have to purchase the item in the market even with \$11.00 with immediate delivery. In this situation, awardee (PV) might have to purchase the item with \$11.00 in order to best support customers but charges customer only \$10.00. Is this OK?

Emergency substitution of non-MPA sourced product for a distributor's inventory will be handled on an exception basis. As a general rule the distributor must purchase from the MPA manufacturer or submit an NIS for the distributor's inventory availability.

12. Page 43. (I). (A): The paragraph states that PV must be able to supply non-food items too. The question is that whether these non-food items are exempted from the Berry Amendment. The reason for this is because it is almost impossible to find made in USA products for plastic cups, paper goods and cleaning supplies.

The Berry amendment applies to each non-food item on a case by case basis depending on the nature of the non-food item. Please review the Berry Amendment and the exemptions associated it with to see if the item in question is restricted by Berry.

13. Page 48 (9): This paragraph states that Contracting Officer will review to approve Airlifts when customers ordered expedited RDD with more than 300% demand of the AMD (surge quantities). The question is that when Contracting Officer doesn't confirm the airlift, then is the quantities of the RDD treated NIS or not?

When an airlift is approved, the PV will be required to deliver all quantities requested by the customer or they will be considered NIS. If for any reason the airlift is denied, then the vendor will only be required to deliver up to the 300% AMD.

14. Schedule of Items: The Schedule of Items in the Solicitation shows specific NSN numbers. Can Offeror submit invoice or quote from other manufacturer with same description but of course different NSN? For example as in the following table, the Schedule of Item shows the American Bounty NSN. Can offeror submit Pureland invoice, which has exactly same description with the American Bounty but with different NSN?

891001E607823	CHEESE, AM PROCESSED, SL, CHL,120 slices/pg, 20 lb cs	LB	American Bounty
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8901006560993	CHEESE, AM PROCESSED, SL, CHL,120 slices/pg, 20 lb cs	LB	Pureland
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Each offeror should try their best to source the items specified on the Schedule of Item because these are the items the customer facilities are currently ordering on a regular basis. If you submit an item that is not the same brand or specific unit match, please list the item being offered in the Qualification columns (Columns AU-AX)

15. Page 50: Last paragraph of the Section 9 (page 48) seems to contain Japan information (Contracting Officer / COR).

This error will be corrected and shown in Amendment 0002.

16. Page of 95 (A). Shelf Life: It states that “For annual pack items, products will be from the latest seasonable pack available, unless approved in advance by the Contracting Officer.” We also heard through the QSMV that PV should purchase no FF&V (LATEST SEASONAL ITEM) if the products become more than 12-month old, from the DOP, upon arrival in Okinawa from the DOP. We need to have clear guideline on this.

The information found in the Solicitation and updated via Amendments are the guidelines that should be followed regarding Shelf Life and annual Pack items. Please disregard any directions or information not contained in these files.

17. Page 131 (H) (3): Currently, DSCP applies the 300% Rule, which will not treat quantities of more than 300% of the AMD as NIS. So, is the 300% Rule gone?

No the 300% AMD rule is not removed. This section will be updated in Amendment 0002 to add the 300% AMD exclusion for fill rate calculation.

18. Page 148 (A. Socioeconomic Goals): When PV purchases products produced by LB, SB and SDB from a distributor that is SB? Does the total purchase belong to SB regardless of individual manufacturer’s belonging? Or, should we identify each manufacturer?

In this case, credit is taken for the business size of the distributor only. If an item is purchased from a manufacturer directly, credit is taken for the business size of the manufacturer. If the item is purchased from a broker/agent, then the credit for business size would go back to the distributor or manufacturer the broker purchased the item from originally.

19. I found out that not one item out of the 24 Surge and Sustainment items are included in the 538 items of Schedule of Items. This means that there will be zero on-hand inventories for the 24 Surge and Sustainment items at the PV’s warehouse in Okinawa. PV won’t bring in the 24 Surge and Sustainment items to prepare the situation nobody know when occurs. So, the 24 Surge and Sustainment items are to be urgently purchased, up to the Contractor Capability Plan (CAP), only when the Surge situation breaks out. And, the actual Surge and Sustainment Items and Quantities are in the Page 123of the Solicitation. This Table also includes the time frames like: Day 5 / Day 15 / Day 30 / Day 60 / Day 90. And, I am not sure what do those time frames mean? Further specifically, in the case of the “Beef Ground Bulk (8905-01-E59-0041), 40lb CS,” what does the “Day 5” mean? Does this time frame mean that 152 CS are to be ready (1) at the

Supplier's warehouse, or (2) at the PV's Consolidator's warehouse or (3) delivered to customers' location in Okinawa in five (5) days? If the time frame of "Day 5" means (3) that the 24 Surge and Sustainment items are to be delivered to the customers' location in Okinawa, I am of the opinion that it is too demanding even by airlifting. Accordingly, I'd like to ask DSCP's confirmation about the definition of the Day 5 / Day 15 / Day 30 / Day 60 / Day 90.

The timeframes show the customer requirement and when that requirement needs to be in the customer's hands. The CAP will address how each offeror is going to meet these requirements. Any agreements with suppliers that will assist in meeting these requirements must be listed on the CAP along with verification from the supplier that the agreement exists.

20. Is the "Contractor Capability Plan" to be interpreted same as the "CAP (Capability Assessment Plan)?"

All references to the Contractor Capability Plan should be changed to Capability Assessment Plan. This change will be reflected in Amendment 0002.

21. With further reading of the Solicitation regarding the Surge and Sustainment clauses, I have my own interpretation regarding the "Day 5 / Day 15 / Day 30 / Day 60 / Day 90." I need to have your confirmation about it. The DLA defines surge as the ability to ramp up quickly to meet early requirements. Sustainment is defined as the ability to sustain an increased pace throughout the contingency(s) for six months or longer. The spectrum of possible contingencies includes major theatre and smaller scale contingency operations. The various contingencies are as follows:

Joint Chiefs of Staff (JCS) Logistics Exercises – The contractor must have the ability to support short term surges in demands, which may increase two times the estimated demand. There may be occasions where large increases in quantity will be necessary for short periods of time and on short notice. An example of a surge situation would be an increase in military feeding of 200% over peacetime demand for a period of up to 30 days. Normally, there is advance notice as to when exercise surges will occur.

Military Operations – The contractor must have the ability to support surges in demand, which may be needed for an extended period of time on short notice. An example of military operations would be US peacekeeping missions, Bosnia support and Operation Enduring Freedom. For this type of scenario, the capability to ramp-up quickly to meet early requirements, as well as sustainment for an extended period of time is essential.

Mobilization - A full-scale military mobilization or a national emergency could increase supplies to the surge and sustainment items and quantities listed in this solicitation. This increase in quantity may be needed for a six-month period or longer. Normal mobilization strategies provide lead times of at least 30 days to build to the necessary support level. The contractor must have the ability to support this increased level of supply for an extended period of time.

In each case, Contractor will be given from "on a short notice" to "lead time of at least 30 days." So, let's assume that a contractor will be given 30 days notice on the 1st of September, 2009. Then, if the contractor delivers the Surge and Sustainment items by 6th of October, which is 35 days from the date of Surge notice, will this satisfy the Day 5 requirement? We need to have your clear confirmation on this ASAP.

In the scenario above, the requirement was not met. Also, you will not have 30 days to meet a requirement that is due at Day 5. Offerors must demonstrate the capability to meet that Day 5 requirement with potentially only five days notice. Again, the CAP will show how each offeror plans to meet these requirements. A shipment to the customer that is five days late has the potential to cause much hardship to our troops. A late shipment means that critical subsistence items are not available and that menus have to be revised. When dealing with requirements for our troops stationed at OCONUS Areas of Operations, meeting required delivery dates are essential to the well-being of the military services.

22. In the page 142 of the Okinawa Solicitation, Offeror has to put its 5 (five) highest dollar value or most comparable Prime Vendor/Regular contracts for the period from January 1, 2005 through December 31, 2007 (the “selected contracts”) as in the following copied texts from the Solicitation.

And the first line is for the information regarding “Distribution facility & location.” Does this mean (1) the facility of contractor, or (2) customers’ locations?

This means the facility location of the contractor for the particular contractor. Also, per Amendment 0002, the period of the selected contracts has been updated to January 1, 2006 through December 31, 2008.

23. In the Section V.7 (Page 49) of the Okinawa Solicitation, we found the following clause.

“If the U.S. facility the Prime Vendor distributes product from is more than 500 miles from the CONUS port, the Government will provide drayage to the port if there are no carrier rates in the current USC Contract to cover that portion of the drayage. These moves will need to be carefully coordinated with the DDC in order to avoid additional charges caused by unavailability of product. If such charges are incurred, it will be the responsibility of the Prime Vendor to cover such charges and not the Government.”

My interpretation of this clause is that Prime Vendor will not be responsible for drayage of more than 500 miles if there are carrier rates in the current USC Contract to cover that portion of the drayage. Please kindly confirm if this interpretation is up to the clause.

This interpretation above is correct. The DDC has to assume the costs to move these loads to the port. This clause clarifies that if the routes would be dropped in the future, the Government would still provide drayage to the port but that the vendor would responsible for any additional charges incurred that are the fault of the vendor.

24. Also, in the Page 38, we found the following clause:

“(40) (i) 52.247-64, Preference for Privately Owned U.S.-Flag Commercial Vessels (Feb 2006)(46 U.S.C. Appx 1241(b) and 10 U.S.C. 2631)”.

And, the 52.247-64 states as follows:

52.247-64 Preference for Privately Owned U.S.-Flag Commercial Vessels.
As prescribed in 47.507(a), insert the following clause:

PREFERENCE FOR PRIVATELY OWNED U.S.-FLAG COMMERCIAL VESSELS (FEB 2006)

(a) Except as provided in paragraph (e) of this clause, the Cargo Preference Act of 1954 (46 U.S.C. App. 1241(b)) requires that Federal departments and agencies shall transport in privately owned U.S.-flag commercial vessels at least 50 percent of the gross tonnage of equipment, materials, or commodities that may be transported in ocean vessels (computed separately for dry bulk carriers, dry cargo liners, and tankers). Such transportation shall be accomplished when any equipment, materials, or commodities, located within or outside the United States, that may be transported by ocean vessel are—

- (1) Acquired for a U.S. Government agency account;
- (2) Furnished to, or for the account of, any foreign nation without provision for reimbursement;
- (3) Furnished for the account of a foreign nation in connection with which the United States advances funds or credits, or guarantees the convertibility of foreign currencies; or
- (4) Acquired with advance of funds, loans, or guaranties made by or on behalf of the United States.

(b) The Contractor shall use privately owned U.S.-flag commercial vessels to ship at least 50 percent of the gross tonnage involved under this contract (computed separately for dry bulk carriers, dry cargo liners, and tankers) whenever shipping any equipment, materials, or commodities under the conditions set forth in paragraph (a) of this clause, to the extent that such vessels are available at rates that are fair and reasonable for privately owned U.S.-flag commercial vessels.

(c)(1) The Contractor shall submit one legible copy of a rated on-board ocean bill of lading for each shipment to both—

- (i) The Contracting Officer, and
- (ii) The:

And, my interpretation is that as far as APL and MAERSK are USC Contractors, they can use foreign vessels as far as foreign vessels' ratio is less than 50% of the gross tonnage. Please kindly confirm this.

This interpretation stated in the paragraph above is correct.

25. It is our understanding that a Site Visit will be a part of our requirement and that there will be no Oral Presentation. However, on page 6 of the solicitation, item 4 states that the requirements are "6 copies of the Technical Proposal and Briefing Charts". If briefing Charts are required, will there be an oral presentation? If there is no oral presentation, could the offeror request inspections/visits to locations that we feel provides pertinence and relevance to our technical proposal during the Site Visit? Lastly, on page 164, it states that "Unless award is made on the basis of the initial proposals, written and or oral discussions will be conducted with all offerors in the competitive range" , our question is, do we submit briefing charts or power point materials for a possible oral presentation upon submission of our proposal?

This reference to briefing charts has been removed and will be reflected in Amendment 0002. Oral presentations will not be a part of the evaluation process for either solicitation.

26. With the March 24, 2009 submission deadline, how soon will DSCP perform the Site Visit?

While no definite date can be given at this point, the site visits should begin within a 30 days of the closing date of each solicitation.

27. Do you know when the all the operational / logistical requirement information i.e.: warehousing, delivery schedules, base locales, etc. will become available.

All operational and logistical information each offeror will receive from this office has been provided in the solicitation. No further information will be provided.

28. Page 30 (d) How do we get "Force Protection" Guide?

There are no specific guidelines for Force Protection that our office can provide. Please refer to Force Protection section of the Statement of Work for what the offeror will be required to provide for the contract. The offeror's force protection plan submitted as part of the technical requirements will be evaluated as part of their submitted proposal.

29. Page 33, last paragraph – Doesn't State what section of the solicitation the CAP requirements are in.

This omission was corrected in Amendment 0001.

30. Page 51 – The current USTRANSCOM Carrier Contract can be viewed at (*website*). Solicitation doesn't state which website.

The website can be found on Amendment 0001.

31. Page 92 A(2) CPARS – PKI – How many PKI certificates does a business need?

The numbers of employees the offerors wishes to have PKI certificates for is strictly a business decision for the offeror. The government will not dictate how PKI certificates each business should have.

32. Page 132 3(a) What is the purchase order lead time?

The normal purchase order lead-time for customer orders is 48 hours.

33. Is the "Schedule of Items" and the "Price Proposal" referred to in the solicitation the same thing?

The Schedule of Items is part of the overall business (price) proposal. Please make sure you submit all requirements of the Business (Price) proposal or you offer maybe rejected.

34. Are the technical proposal factors more important than the price factors?

For the purposes of evaluation, technical factors are weighted more important than price factors.

35. In terms of 832 processing, when MPA price is available is the NAPA Allowance field left blank as a result of the MPA requirement?

Correct. The NAPA field should be left blank when an MPA price is available.

36. Should MPA contractors must also be NAPA recipients; this would be restrictive for small businesses since NAPAs have associated costs.

Yes, MPA contractors must also be NAPA recipients.

37. A SB could qualify in more than one small business category. What could be done when this is the case since it appears from chart that this element allows for only one entry?

At present, the system only allows for one small business category. The system upgrade to allow for more than category for a business has been implemented. Once this change has been finalized, the change will be made either by amendment to the solicitation or modification to the contract.

38. How many stops off are allowed per transportation booking with DDC?

Four free stop-offs are included in the transportation fees. The stated five stop-offs during the pre-proposal conference was incorrect.

39. Pg 53 States that "All chill and freeze trucks will use temperature recording devices". Are these supplied by DSCP or is this contractors responsibility to buy?

The PV is responsible to purchase these temperature recording devices.

40. Pg 80/ XXIV Sect. A. - Is the PV responsible for procuring and supplying the "mandatory enhancements " ie: perishable food items for the UGR-A's?

No. The PV will only be responsible for handling and distributing UGR-A's for the contract. The DSCP Rations team will handle the procurement and supply of UGR-A's.

41. Pg 53/ Sect. B - Is it likely that the PV contractor will in fact receive Invited Contractor Status? Is the incumbent currently operating under an Invited Contractor Status or Technical Representative Status?

It is anticipated that the successful offeror for this solicitation will qualify as an "Invited Contractor" as that term is used in the Japan SOFA agreement during the term of the contract.

42. Pg 111 & 112 Mentions that the PV contractor may have to have arrange and pay for a USDA inspection of all containers and there contact prior to leaving there CONUS facility?? PLEASE CLARIFY.

This is only for special circumstances when FOB origin shipments would be accepted by the government at that point passing inspection, that would normally include identity, count and condition. Under normal operating procedures, paragraph A under I. Inspection and Acceptance on page 125 is to be followed.

43. Page 6 references 2 weeks -

"Submit manufacturer's invoices for every item listed in the Schedule of Items?"

Note*: A supplier's quote is acceptable but an invoice is preferable. The invoice

or supplier's quote that you submit must be dated within two weeks of submission of your proposal".

OR

Page 157 ...

The invoices should reflect the prices effective within thirty (30) days prior to the solicitation issue date. If invoices are not available for that time period, the most recent invoices shall be submitted reflecting the last purchase made for the item. If negotiations are held, offerors that submit revised prices shall supply invoices or quotes from the time period of thirty days prior to the due date of the revised proposals. The Government has a strong preference for prices within the timelines indicated above over earlier dates. For evaluation purposes, the offeror is required to submit pricing for the Schedule of Items that will meet the Government's minimum requirement, except for Brand Name items, which must be priced according to the exact brand name product.

All invoices should be dated within 30 days of the issue of the solicitation. The reference to two weeks will be changed via Amendment 0002.

44. Pg 44/ Sect. C. "Dairy must have 30 days remaining shelf life at time of delivery" ?

Fresh fluid Dairy that is heat treated short shelf (HTST) only has 30 days from time of manufacture. Is only Ultra Heat Treated (UHT) milk and yogurt to be used on this contract? If required will Dairy be from local market ready contract?

This is a mistake. The following change will be reflected in Amendment 0002:

If product is manufactured with 90 days of shelf-life or less, the Contracting Officer requires a minimum of 14 days remaining shelf-life at time of delivery. For items manufactured with less than 14 days of original shelf-life, the vendor will deliver wholesome product with the freshest shelf-life available. The vendor will closely coordinate production and delivery times in order to insure that product will meet the end-use customer's usage needs. As with any substitution, the vendor must receive the customer's prior approval if product offered for delivery will possess a lesser shelf-life. Chilled products shall not be frozen in an attempt to extend the *products'* shelf life.

45. Can we receive an electronic copy of the schedule of items?

Yes. Please contact the Contract Specialist (Tom Schrank) and an electronic copy of the Schedule of Items will be provided.

46. Is there currently P2P railhaul and/or overland line-haul trucking route/rates from East Coast (van spot) to West Coast (POE), for both FEU and TEU, both reefer and dry containers, either/or Korea (P[B]usan) and Okinawa (Naha) presently on USC-05, and if included on soon to be awarded USC-06 ?

(a). If yes, could you please list what those route/rates are, and/or soon will be, according to the above parameters ?

(b). If not presently available, nor established by USC-06, could you please explain in as much detail, how and when those route/rates are established with those designated ocean carriers. Eg, there is no route/rate available now, but can be established with APL or Maersk to offer one and modify the USC-06 contract.

There are line haul rates currently in the USC05. Any rates currently not in the USC contract will be incorporated into the contract once the Prime Vendor's distribution plan has been established and the SDDC can find the proper rates to accomplish that plan.

47. Is there Minimum Order Quantity criteria requirements for source-load/drop-shipping bookings, again for FEU, TEU, reefer, dry, etc., on either the USC-05 or USC-06?

The minimum order quantity criteria requirement for source loading a sea van at origin would be a follows:

For TEU (20 foot), it would be 601-1060 cube.

For FEU (40 foot), it would be anything above 1160 cube

48. In responding to Past Experience A.1.vi we are asked for fill rates for each of the five selected contracts "listed monthly for the 12 months of the contract immediately preceding January 1, 2008, with and without substitution." (page 141 of RFP) This would mean providing 2007 data. Wouldn't it be more current to use 2008 data by changing January 1, 2008 to January 1, 2009?

Yes. Please provide the most recent data for your contracts. Please provide data for the time period immediately preceding January 1, 2009. This change will be made via Amendment 0002.

49. If foreign nationals are currently working on the current contract, will the new PV be required to hire those employees for the new award?

The solicitation does not require the selection of any particular local source for their contractors working in Okinawa. However, the offeror must comply with local laws and regulations associated with the hiring and firing of any Japanese personnel.

50. Page 83: Kadena AFB, Okinawa, Japan ~ Will the government supply Tri-Wall/dry Ice etc. to maintain temperature for the products or is the Prime Vendor responsible for all materials to load the product in and keep the temperature?

The PV will be responsible for supplying their own Tri-Wall, dry ice, etc., in order to meet the temperature requirements of the contract.

51. Page 83: Kadena AFB, Okinawa, Japan ~ How many shipments or LBS and Cartons per year is transported to Kadena for air shipments? This info would be required to estimate a budget for materials if the Prime Vendor is to supply them.

This information will not be provided by the government for the solicitation. The vendor is responsible for all orders up to 300% AMD. Based on this requirement, airlifts rarely occur.

52. Page 46: Camp Kinser GOCO ~ Does the facility have access for the Prime Vendor 24hours/7days a week in case need for emergency access?

The PV should have access to the facility during emergencies in order to complete deliveries.

53. Page 46: Camp Kinser GOCO ~ Does this facility have the capacity to meet the surge & sustainment requirements?

That is a business decision that the offeror will have to figure out for themselves in order to determine if the GOCO meets all the requirements of the solicitation.

54. Item is missing the U/I: 361 8945006160078 MARGARINE, 30/1 LB PRINT

The correct unit of issue (U/I) for this item is PG.

55. Heading in spreadsheet file regarding quantities listed: "Estimated Two Year Quantity". Compare this to Page 154, (ii)B.a.3. which says, "one-year estimated quantities". Clarify which it is, one year or two quantities.

The correct statement should be Estimated Two Year Quantity. This error will be corrected via Amendment 0002.

56. Is the attachment 1 excel workbook named spm30008r0011misc, worksheet named "Okinawa Price Proposal" the same as the "Schedule of Items", referred to on page 4 "Category/Distribution List and the Schedule of Items", and on page 156 "(iii) Item/Unit Price, C. All offered product prices must be substantiated with a copy of the manufacturer or grower's invoice....."

Yes the item listed on Price Proposal spreadsheets found on DIBBS are the Schedule of Items for the contract.

57. When is the Okinawa bid due? March 3 or March 24?

The Okinawa Solicitation is due on March 24, 2009. This change has been reflected in Amendment 0001 for Okinawa.

Industry

KOREA/OKINAWA
PRE-PROPOSAL CONFERENCE Sign in Sheet
11-Feb-09

	ATTENDEES NAME/TITLE	COMPANY BEING REPRESENTED	EMAIL ADDRESS	PHONE NUMBER(S)	FAX NUMBER
1	Tony De Cocco	RSI	ad1000010@regentsystems.com	610-660-7736	
2	Dawn Acheson	PCA	Dawn.Acheson@custserv.com	760-734-6036	
3	Jim Haverstick	RASTECCI GLOBAL	JHAYERST@RASTECCI.COM	(856) 223-9966 X507	
4	Tony Rastelli	RASTECCI Global	ARASTELLI@RASTECCI.COM	(856) 981 6511	
5	Garry Fack	USFI	GARY@USFIfoods.com	310 8768-1837	
6	Chris Lee	USFI	CHRIS@USFIfoods.com	310 768-1837	
7	D. Moore	DEI	dave@DEIEXPRESS.COM	310 837-7674	
8	Tim Geehan	Sodexo/Sysco	Tim.geehan@corp.sodexo.com	253-383-9220	
9	Brian Head	SODEXO/SYSCO	HEAD,BRIAN@SEA.SYSCO.COM	206 721-4643	
10	Tim Tausch	SYSKO	Tausch.tim@seq.sysco.com		
11	Jim Dadds	Food Services	Jim.Dadds@foodservice.com	360-6001 3648	
12					

Industry

KOREA/OKINAWA
PRE-PROPOSAL CONFERENCE Sign in Sheet
11-Feb-09

	<u>ATTENDEES NAME/TITLE</u>	<u>COMPANY BEING REPRESENTED</u>	<u>EMAIL ADDRESS</u>	<u>PHONE NUMBER(S)</u>	<u>FAX NUMBER</u>
1	HOUN GANG	Regent	Hogang 68@Hotmail.com	909) 292-5233	213) 637-1501
2	STEVEN CHOI	USFI, INC	choi@usf-foods.com	310) 768-1937	310-768-1956
3	B.G. TALLENT	SoExo	Bos.TALLEN@SoEX.com	(702) 376-6971	Same!
4	Frank Bankoff	Frank Bankoff Consulting	frank.bankoff@gmail.com	215-667-5123	215-969-0518
5					
6					
7					
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9					
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11					
12					

KOREA/OKINAWA
PRE-PROPOSAL CONFERENCE Sign in Sheet
11-Feb-09

	<u>ATTENDEES NAME/ TITLE</u>	<u>COMPANY BEING REPRESENTED</u>	<u>EMAIL ADDRESS</u>	<u>PHONE NUMBER(S)</u>	<u>FAX NUMBER</u>
1	Deuk Lee	Regent	hitelee@sbcglobal.net	213) 276-3446 ⁶³⁷⁻¹⁵⁰⁰	213-637-1501
2	STEVE CORREY	Sodexo - Sysco	CORREY, STEVE@compysys.com	858-578-7368	858-513-7322
3					
4					
5					
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11					
12					

DSCP Attendees

**KOREA/OKINAWA
PRE-PROPOSAL CONFERENCE Sign in Sheet
11-Feb-09**

	<u>ATTENDEES NAME/TITLE</u>	<u>COMPANY BEING REPRESENTED</u>	<u>EMAIL ADDRESS</u>	<u>PHONE NUMBER(S)</u>	<u>FAX NUMBER</u>
1	Michael A. Crawford				
2	THOMAS B. HALEY	DSCP-FTAF	THOMAS.HALEY@DLA.MIL	(215) 737-7530(215) 737-2910	
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4	Dmitry P. Lipis	DSCP-GS	Dmitry.P.Lipis@DLA.MIL	215-737-2230	215 737 5913
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7	John Steenberge	DSCP-FTG	John.Steenberge@DLA.MIL	(215) 737-7445(215) 737-3786	
8	DENNIS STROUPE	FTAF	DENNIS.STROUPE@DLA.MIL	X 5349	X 7426
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10	Amy Connor	QTBG	Amy.Connor@DLA.MIL	X 2457	X 7426
11	Kristine Cunningham	DSCP-BP	Kristine.Cunningham@DLA.MIL	X 5292	
12					

DSCP

KOREA/OKINAWA
PRE-PROPOSAL CONFERENCE Sign in Sheet
11-Feb-09

	ATTENDEES NAME/TITLE	COMPANY BEING REPRESENTED	EMAIL ADDRESS	PHONE NUMBER(S)	FAX NUMBER
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3	FRANK PIECYK/KO		FRANK.J.PIECYK@dla.mil	215-737-7191	
4	Genevieve VENTURA		Genevieve.VENTURA@dla.mil	215-737-5911	
5	Scott Kock			215-737-3300	
6					
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Pre-Proposal Conference Okinawa, Japan Republic of Korea

SPM300-08-R-0011- Okinawa

SPM300-08-R-0078- Korea

February 11, 2009



Conference Ground Rules & Participation Guidelines

Please...

- Sign-in
- Mute all cell phones and pagers
- No cameras, video taping or recording devices
- Hold all questions to the end of the presentation
 - Questions can be written and submitted during break or asked verbally
- Solicitation Language & Amendments Supersede Pre-Proposal Conference Discussions





OVERVIEW

- Welcome address
- Introduction and Review
 - ✓ Prime Vendor Process
- Solicitation
 - Overview
 - Trade-Off Source Selection Process
- Ramp up / Ramp down
- Foreign Issues
- Defense Base Act (DBA)
- DTS
- DDC
- 832 Mapping
- Questions and Answers



Solicitation Requirements: What's Different?

- Market Basket size
- Distribution categories are set
- Rebate / discount language
- Unit Price/ Product Price Definitions
- Manufacturer's Price Agreements (MPAs)
- DTS relationship
- Surge and Sustainment Requirements
- No substitutes
- Technical factors & order of importance
- Quarterly review by DSCP HCA
- Ramp Up/ Ramp Down Language





Prime Vendor Acquisition Process

- Solicitation preparation
- Issue solicitation
 - Korea – January 12, 2009
 - Okinawa – February 2, 2009
- Closing date
 - Korea – March 3, 2009
 - Okinawa – March 24, 2009
 - Begin evaluations – Technical panel/Business panel
 - Structured plant site visit
 - Negotiations/Revised offers/Final proposal revisions
- Award
- Post award conference





Solicitation Overview

- Firm fixed price/Indefinite delivery contract
- Fill rate 98%
- 48 Hour Delivery Lead-time
- No Substitutions
- Quarterly In-Process Reviews (IPRs) with DSCP Head of Contracting Agency (HCA)



Solicitation Overview

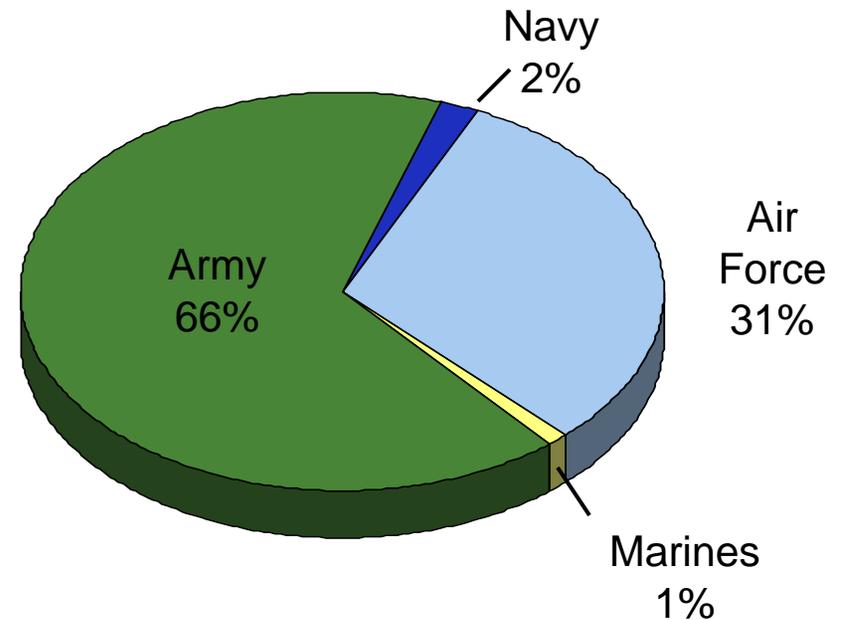
- PV manages requirements, and is responsible for purchasing and inventory
- PV bears cost of inventory, storage and equipment
- Commercially owned and operated warehouses
 - GOCOs are available in Korea and Okinawa



Solicitation Overview

Republic of Korea

- Third Generation Acquisition for Korea
 - Unrestricted
- Five Year Contract
 - One Year Base Period
 - Four – One Year Option Periods



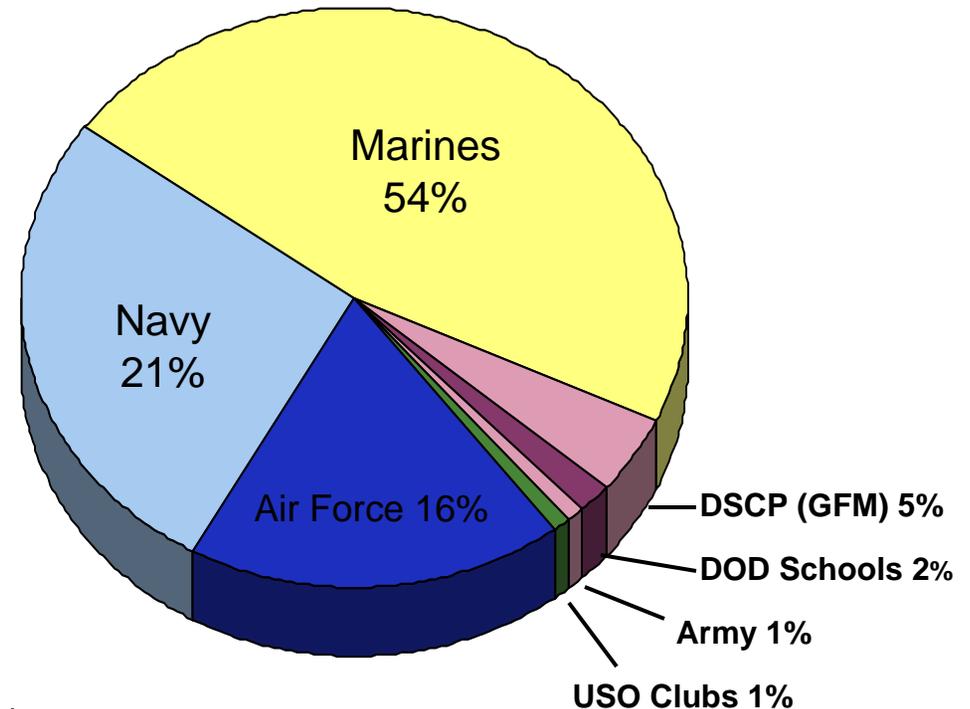
- Estimated Total Dollar Value: \$105,565,015
- Guaranteed minimum – 15% of est. dollar value per contract period



Solicitation Overview

Okinawa, Japan

- Third Generation Acquisition for Okinawa
 - Unrestricted
- Four Year Contract
 - Two Year Base Period
 - One – Two Year Option Period



- Estimated Total Dollar Value: \$66,000,000
- Guaranteed minimum – 25% of est. dollar value per contract period



Solicitation Overview

Produce Support

- Produce currently supported by DSCP Produce Contract
 - DSCPP developing new produce contracts for Okinawa and Korea
- Prime Vendor to support hardy and holiday produce requirements
 - e.g., apples, potatoes, pears cranberries and pumpkins



Prime Vendor Trade-Off Source Selection Process

Technical > Price

Technical proposal (non-price factors):

- Written technical proposal
- Structured plant site visit

Submission requirements:

- Factor I: Corporate Experience/ Past Performance
- Factor II: Distribution System/ Quality Assurance
- Factor III: Customer Support
- Factor IV: Surge and Sustainment
- Factor V: Force Protection
- Factor VI: Socioeconomic Considerations
- Factor VII: JWOD Support
- Factor VIII: DLA Mentoring Agreement



Prime Vendor Trade-Off Source Selection Process

Surge and Sustainment

- CAPABILITY ASSESSMENT PLAN (CAP) –The contractor must address the amount of increased demands that can be handled for surge (0-30 days) and identify the length of time the contractor would require to ramp up.
- The contractor must indicate the length of time this increased pace could be sustained (at least six months or longer). The readiness capability plan should describe and/or include all aspects of their supply chain management.
- This Readiness Plan should also include a plan of action if SPV facility is damaged or otherwise not able to conduct normal operations.
- Select the document entitled “Subsistence Solicitation SPM300-08-R-0011” (Okinawa) and “SPM300-08-R-0078 (Korea) on <https://spiders.dla.mil>



Prime Vendor Trade-Off Source Selection Process

Socioeconomic Requirements

- Socioeconomic Evaluation Factors
 - Small Business
 - Ability One (JWOD)
 - DLA Mentoring Business Agreement
 - All offerors regardless of size
 - Monthly reports for SB & Ability One
- Small Business Subcontract Plan (FAR 52.219-9)
 - Large Business only
 - Electronic Subcontract Reporting System (eSRS)
 - Semi-annual reports



Prime Vendor Trade-Off Source Selection Process

Socioeconomic Requirements (cont.)

- Classify Vendor Base - see small business definitions
- Goals/Accomplishments based on Total Subcontract Dollars
- Total Small Business includes
 - Small Disadvantaged Business
 - Woman-Owned Small Business
 - Service-Disabled Veteran-Owned Small Business
 - Veteran-Owned Small Business
 - Hub Zone Small Business (SBA certification)



Prime Vendor Trade-Off Source Selection Process

Business Proposal consists of two parts:

Submission requirements:

Factor I: Aggregate Distribution Prices

Factor II: Aggregate Pricing

- Category/ Distribution Prices
- Item/ Product Prices
- Item/ Unit Prices
- Option Prices
- Product Listing
- Discounts, rebates, allowances or other similar economic incentives or benefits given to any other customer.

*Submit the Price Proposal and Distribution Price categories on the formatted spreadsheets (attachment 1) in accordance with the instructions in the solicitation, and submit hard copies, as well as a copy on CD





Prime Vendor Trade-Off Source Selection Process

Submission requirements cont'd:

- Option period
 - Invoked by the Government
 - Option period distribution prices
 - May increase, decrease or remain constant
 - Must be represented as a percentage
 - Distribution fees remain fixed for option period
 - Vendor must fill out Option Pricing section of the Business Proposal
 - Failure to do so **may result in rejection** of the entire proposal



Prime Vendor Trade-Off Source Selection Process

Pricing

- Pricing will be based on:

Contract Unit Price = Product price + Distribution Price

- Unit Price: The total price in US currency that is charged to DSCP per unit for a product delivered to the Government
- Multiple Unit Prices for the same item are not permitted



Prime Vendor Trade-Off Source Selection Process

Product Pricing

- The product price will be derived in one of two manners
 1. Through the use of DSCP's Manufacturers Price Agreements (MPAs)
 2. Through the use of commercial pricing.
- When a DSCP MPA is available, the MPA price shall be used for the product price. When a DSCP MPA is not available, the Product Price shall be limited to the original manufacturer's or grower's price for product. The Product Price shall be based on FOB Origin/Point of Manufacture. In addition, the Product Price shall exclude all costs that are required to be covered in the distribution price, including but not limited to, all transportation, broker and dealer costs and fees.
- The following exceptions apply:
 1. Contracting Officer-approved National Commercial Price inclusive of transportation costs to a Distribution Point
 2. FF&V item priced inclusive of airfreight transportation costs from a foreign country into the local market of Okinawa, Japan or the Republic of Korea
 3. Mandatory Items



Prime Vendor Trade-Off Source Selection Process

Distribution Price

- **Distribution Price:** a firm fixed price and offered as a dollar amount, which represents all elements of the unit price, other than the product price.
- Includes the Prime Vendor's projected general and administrative expenses, overhead, profit, packaging/marketing/labeling costs, all Non Point of Manufacturer fees (CONUS and OCONUS Broker, Dealer Subcontractor and FF&V Consolidation Point fees) for procurement/storage/consolidation/palletization/distribution from original Point of Manufacture and transportation costs from the Prime Vendor's distribution facility(s) to customer locations.
- Shall remain fixed for the base period of the contract, and is subject to any agreed option year adjustments
- Shall exclude DTS Ocean Shipping Costs
- The following exceptions apply:
 1. Contracting Officer-approved National Commercial Price inclusive of transportation costs to a Distribution Point
 2. FF&V item priced inclusive of airfreight transportation costs from a foreign country into the local market of Japan, Singapore, and Diego Garcia



Prime Vendor Trade-Off Source Selection Process

Pricing Attachment Sample

Line Item	Stock Number	Item Description	UOI	Estimated 2 Year Quantity	Comm Inv Y/N	Specif. Unit Match Y/N	Quote Y/N	Vendor UOM
1	8905-01-E09-0458	BEEF, CUBED STEAK, FZN, TENDERIZED, 4-6 OZ EA, 53 LB/CS,	LB	11,220	Y	Y	N	CS

Invoice / Quote UOM Delvd \$	Government UOI	Distribution Price Category #	UOM Base Distr. Price	UOM Option 1 Distr. % Change +/-	UOM Option 1 Distr. Price	UOM Option 2 Distr. % Change +/-	UOM Option 2 Distr. Price
\$ 40.00	53 lbs	2	\$ 4.50	5.00% +	\$ 4.73	5.00% +	\$ 4.96

UOI Base Distribution Price	UOI Product Price	UOI Base Unit Price	Base Period \$ Total	Base Period Dist. Price Total
\$0.09	\$.75	\$.84	\$9,424.80	\$1,009.80



Prime Vendor Trade-Off Source Selection Process

Required Information for Invoice/ Quote:

1. Manufacturer letterhead
2. Manufacturer address information
3. Manufacturer POC information
4. Correct Solicitation Number
3. Date of Invoice/ Quote
4. List corresponding item number from Schedule of Items spreadsheet (Attachment 1)
5. Item description matches Schedule of Items spreadsheet
6. FOB Origin delivery terms/ price are indicated
7. Prompt Payment terms are listed



Quote Sample

(2) Manufacturer Address Information

(1) Manufacturer Letter Head

(3) Date of quote
TO: Mr. Prime Vendor
123 John Doe St
City, St Zip

Subject: Quote Requirements for SPM300-07-R-0004

In response to your RFQ for SPM300-07-R-0004

Item #	NSN	DESCRIPTION	MFG SKU	BRAND	UOM	(6) FOB origin product Price	NAPA	NET NAPA PRICE
61	894001E950070	CORN DOG, FZN, WRAPPED FRANKFURTER, 48/4 OZ EA/CS/AMERICAN BOUNTY/SARA LEE (8940-01-E60-2499 CORN DOG, FZN, CHICKEN FRANKFURTER,W/SKEWER, 4 OZ E, 48/CC)*	5488	State Fair	CS	\$\$\$ \$\$\$	\$0.24	\$\$\$
		PORK PIES, SPREADS, CKD PIR, FZN, ST LOUIS STYLE (5) Description matches schedule of items	13158	Bryan	LB		\$0.02	
		BEEF schedule of items	12166	Hillshire	LB		\$0.02	
	890501E950165	TURKEY THIGH ROAST, RAW, FZN, NETTED, OVAL SHAPE, 8 LB AVG/SARA LEE	43218	Sara Lee	LB		\$0.02	
	890501E950004	TURKEY BREAST, BNLS, CKD, FZN, SKIN ON, WHOLE MUSCLE 2/8 LB PG (16 LB AVG)/SARA LEE	13605	Sara Lee	LB		\$0.02	
	890501E950088	HAM, BNLS, CKD, FZN,BUFFET STYLE, SMOKED, 9-13 LB AVG, 2/CS/BRYAN FARMS/IDEAN	12999	Bryan	LB		\$0.02	
	890501E950089	HAM, BNLS, CKD, FZN,PIT STYLE, SMOKED, 11-19 LB AVG, 2/CASE/BRYAN FARNS	12170	Bryan	LB		\$0.02	
	890501E950195	PORK ROAST, BNLS, FULLY CKD, FZN, SEASONED, 15 LB AVG/SARA LEE	13163	Hillshire	LB		\$0.02	
	890501E950018	SAUSAGE, BREAKFAST PATTIES, CKD, FZN,PORK, SEASONED, 84/1.9 OZ EA (10 LB CS) SARA LEE/IDEAN	13604	Jimmy Dean	CS		\$0.20	
	890501E950020	SAUSAGE, TURKEY, LINKS, PRECKD, FZN, 234/0.67 OZ EA/CS (10 LB CS)/JIMMY DEAN	13693	Jimmy Dean	CS		\$0.20	
	892001E590222	PIE, APPLE, LATTICE, FZN, PREBAKED, 6/10 IN DIA PER CASE, SARA LEE/CHEF PIERRE 7126	7126	Chef Pierre	CS		\$0.25	
	892001E590223	PIE, CHERRY, LATTICE, FZN, PREBAKED, 6/10 IN DIA PER CASE, SARA LEE/CHEF PIERRE 7127	7127	Chef Pierre	CS		\$0.25	
	892001E594685	PIE, PUMPKIN, FZN, PREBAKED, 6/43 OZ EA, 10 IN DIA, SARA LEE/CHEF PIERRE 9281	9281	Chef Pierre	CS		\$0.25	
	892001E597286	PIE, PECAN, FZN, SOUTHERN STYLE, 10 IN DIA, 6/36 OZ EA, SARA LEE/CHEF PIERRE 9273	9273	Chef Pierre	CS		\$0.25	
	892001E598702	PIE, SWEET POTATO, FZN, PREBAKED, 10 IN DIA, 6/40 OZ EA PER CASE, SARA LEE/CHEF PIERRE 9267	9267	Chef Pierre	CS		\$0.25	
	892001E590477	CAKE, CLASSIC CHEESE CAKE, FZN, 2/CS, SARA LEE 8117	8117	Sara Lee	CS		\$0.25	
	892001E606552	CAKE, CARROT, FZN, LAYER, W/CREAM CHEESE ICING AND WALNUTS, 9 IN, 2/CS, SARA LEE 8022	8022	Sara Lee	CS		\$0.25	

(4) Item # indicated from the Schedule of Items

We ensure that we will be able to support the quantities outlined in the RFQ

Delivery term: FOB Origin / Point of Manufacturer (Loaded on container / Truck at manufacturer's facility).

Payment terms: Net 30 days

Sincerely,

(7) Prompt payment Terms

Manufacturer POC Information
John Smith
john.smith@xyzfoodservice.com
Phone #
Fax #



Prime Vendor Trade-Off Source Selection Process

Manufacturing Purchasing Agreements (MPAs)

- MPAs are agreements between DSCP and manufacturers to set FOB Origin /point of manufacture “pricing” for products used with the Subsistence Prime Vendor program for OCONUS Prime Vendor distributor contracts
 - Product price changes will be no more frequent than monthly
 - Price changes will be effective the first Monday of any given month
- FOB Origin / point of manufacture is a Company’s established FOB Point(s)



Prime Vendor Trade-Off Source Selection Process

More MPA Info:

- Who?
 - MPAs are available to any manufacturer or private label holder
 - Between DSCP and manufacturer or private label holder
- Why?
 - Allow DSCP & it's customers transparent visibility of the actual FOB Origin product price
 - Allow DSCP to focus on distribution pricing in the Subsistence Prime Vendor contracts
 - Transparency in product pricing will affect product selection in the future
- Where?
 - In any contract with the delivered price definition stating FOB Origin / point of manufacturer pricing
 - Initial roll-out will be in OCONUS; CONUS plan not yet formulated



Prime Vendor Trade-Off Source Selection Process

More MPA Info:

- When?
 - MPA priced products will be used when an MPA is available
 - Manufacturers refusing to obtain MPAs for their products “may” have those products excluded from the DOD catalog
 - The PV contract dictates when an MPA will be used
- How?
 - When an MPA priced product is available the DSCP Subsistence Prime Vendor is required to use the MPA priced product
 - NAPA discounts do not apply when the MPA price is used in the Subsistence Prime Vendor contract
 - The DSCP LSN stock number is used for either the NAPA program or for the MPA, but not both at the same time on the same catalog



Ramp-Up/ Ramp-Down

- Follow-on contract
 - Ramp-up 150 days... time-phased transition schedule
 - Incumbent Prime Vendor will remain principle source of support
- Key milestones (days prior to contract start-up)
 - 60 days: functional catalogs, distribution systems
 - 30 days: in full support of customer... base period begins when first order is placed
 - Gov't reserves the right to phase in customer ordering points



Foreign Issues

- Awardees may be foreign
- Synchronized Predeployment and Operational Tracker (SPOT)
 - Register for a SPOT account at <http://www.defenselink.mil/bta/products/spot.html>
- Berry applies – DFARS Clause 252.225.7012
- Status Of Forces Agreement (SOFA)



Defense Base Act

- **FAR 52.228-3 WORKERS COMPENSATION INSURANCE (DEFENSE BASE ACT) (APR 1984)**
 - The Contractor shall
 - (a) provide, before commencing performance under this contract, such workers' compensation insurance or security as the Defense Base Act (42 U.S.C. 1651, *et seq.*) requires and
 - (b) continue to maintain it until performance is completed. The Contractor shall insert, in all subcontracts under this contract to which the Defense Base Act applies, a clause similar to this clause (including this sentence) imposing upon those subcontractors this requirement to comply with the Defense Base Act

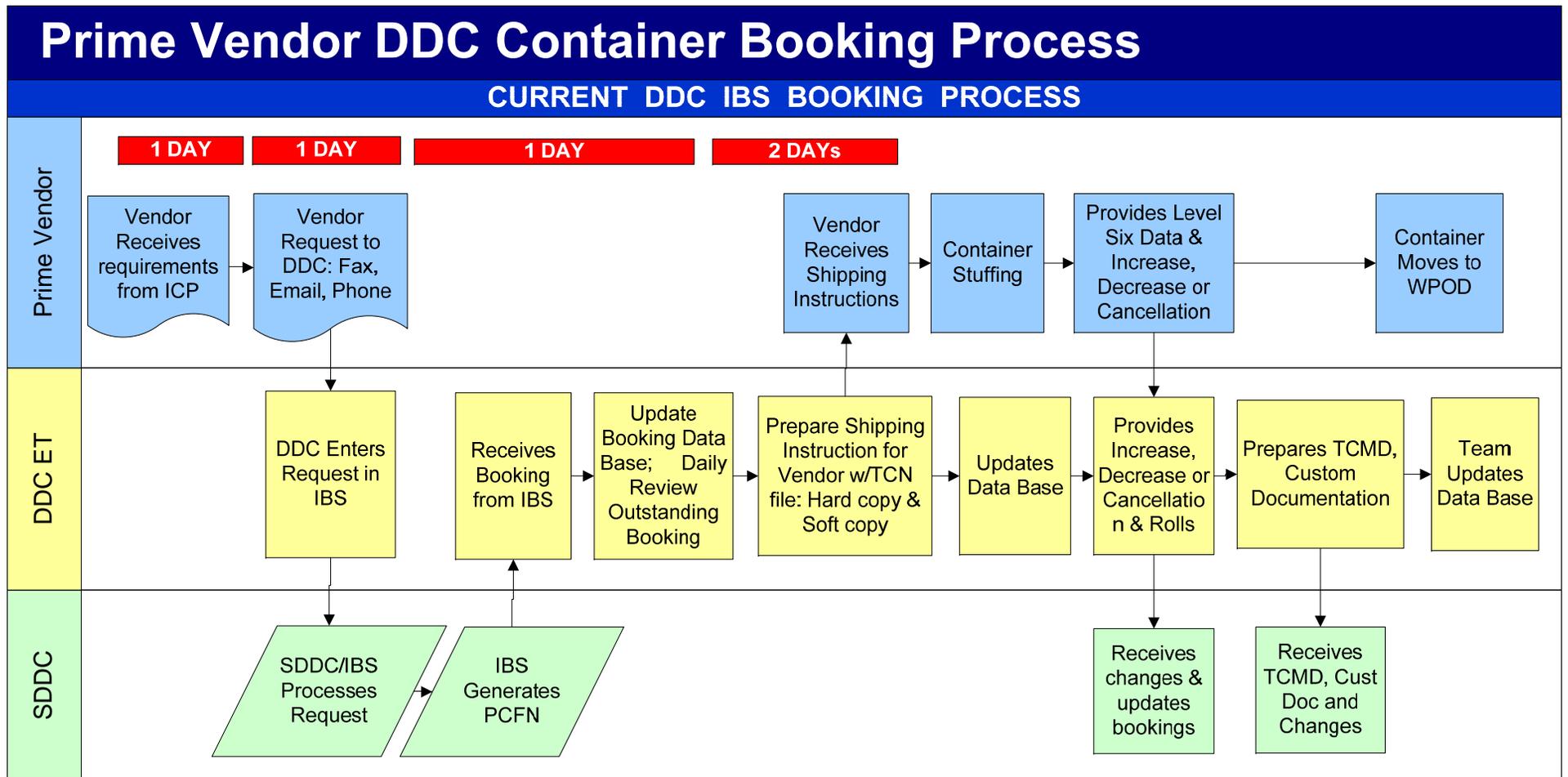


Defense Transportation System (DTS)

- Mandatory by Law from CONUS
- Offerors should contact Customer Service, DDC New Cumberland @ (800) 456-5507
- Carrier will be responsible to the transportation
- Shipping instructions / TCMD requirements identified
- PV responsible for detention charges... direct relationship to the Ocean Carrier
- The Gov't has no liability for late delivery or damage to goods in transit... direct relationship to the Ocean Carrier
- USTRANSCOM carrier contract USC 05' is available @ <http://www.sddc.army.mil/public/Doing+Business+with+SDDC>



DDC Booking Process





Universal Services Contract

- USC05 set to expire 3/31/2009
- USC06 in effect 4/1/2009
- Carriers servicing Korea/Okinawa
- West Coast Sailings to Busan and Naha
- VISA Priority
- Transit Times



USC Rates

- Contract allows for door to door service
- Notify DDC of any changes in supplier locations as soon as possible
- Locations outside of west coast ports must allow for transit time – up to 10 days depending on location



DDC RESPONSIBILITIES

- Notify DDC of any changes to Bookings (Increase, Decrease, Roll)
- Return Shipping Documentation to DDC within 2 hours of loading container
- Wrong Equipment, Missed Appointments need brought to DDC's Attention



832 Process

- Orders and payments
 - No change to order or payments
- Catalog updates
 - No change to process
 - New stock numbers and elements
- The catalog
 - Original catalog elements
 - Reasons for changes
 - Recent catalog additions
 - Future catalog additions



Original Catalog Elements

Element		Description
Catalog number	M	13 Character contract number
Effective date and time	M	Date and time for catalog
Stock number	M	13 Character DSCP stock number
Vendor part number	M	Internal number vendor has assigned to the item
Update indicator	M	“C” = Change/addition “D” = Delete
Economic indicator	M	Socio economic indicator
DSCP item description	M	80 character in the clear description of the item



Socio Economic Indicators

- 0 = Large Bus.
- 1 = SB (Small business)
- 2 = SDB (Small disadvantaged business)
- 3 = WOSB (Women owned small business)
- 4 = VOSB (Veteran owned small business)
- 5 = SDVOSB (Service-disabled veteran owned small business)
- 6 = HZSB (Hub-Zone small business)
- 7 = Native Indian small business
- 8 = Native Hawaiian small business



Original Catalog Elements

Element		Description
Units per purchase pack	M	Number of intermediate units within vendor unit of measure 24 – 12 OZ CN
Package size	M	Number of measures in intermediate package. Example: 12 OZ CN
Package unit of measure	M	How intermediate package is measured. Example: 12 OZ CN
Packaging code	M	How intermediate unit is packaged. Example: 12 OZ CN <i>Note: PO404 must = AVG for catch weight</i>
Brand name	O	Brand name of item
Vendor price	M	Weekly price of item per UoM
Unit of measure	M	Units by which the vendor sells the item



Original Catalog Elements

Element		Description
Ratio numerator	M	Numerator of purchase ratio factor which is the ratio between how the vendor sells the item (Unit of Measure) and how DSCP sells the item (Unit of Issue)
Ratio denominator	M	Denominator of PRF (see Ratio numerator)



Reasons for Change

- Subsistence
 - Special ordering, Foreign source, SKU, DSCP unique, & Shelf life
 - Additional prices - reasonableness studies
- CFMS
 - Package size standards (for ordering and production)
 - Description standard by stock number
 - **Web site to get all valid stock #'s (click on the CFMS Ready link) <https://www.dscp.dla.mil/subs/ecat/index.asp>**
- Internal Enterprise Business System
 - Payment issues associated with variable packs
 - Units per pack / Purchase Ratio Factor
- Customer
 - Weight and cube for limited storage
 - Disposal for Navy ships



Recent Catalog Additions

Element		Description
Gross Weight	C	Number of weight within case (required for Navy Ship specific catalogs only).
Gross Weight Measure	C	Measure for weight within case (required for Navy Ship specific catalogs only).
Gross Volume	C	Number of volume units within case (required for Navy Ship specific catalogs only).
Gross Volume Unit	C	Unit of volume in which gross volume is expressed (required for Navy Ship specific catalogs only).
Shelf life	O	# of days or months of shelf life
Shelf life unit	O	"MO" = Month; "DY" = Day



Recent Catalog Additions

Element		Description
NAPA Allowance	C	Dollar amount of NAPA allowance per Unit of Measure (required if item is a NAPA item).
Food Show Allowance	C	Dollar amount of Food Show allowance per Unit of Measure (required if allowance applies to this item).
Promotional Allowance	C	Dollar amount of Promotional allowance per Unit of Measure (required if allowance applies to this item). <i>Note: Includes all non-NAPA and non-Food show allowances not declared above</i>
Distribution fee category code	M	4 Character code designating distribution fee category
Distribution fee for UoM	M	Dollar amount for distribution fee per vendor Unit of Measure



Recent Catalog Additions

Element		Description
Special Ordering Instructions	O	80 Character field used if additional ordering lead times are needed
Foreign Source Indicator	M	“Y” = Item is from a foreign source, otherwise “N”
Vendor SKU	C	SKU of item (required for NAPA items).
DSCP Standard Acceptance	M	“Y” = Vendor accepts DSCP standards including description; “N” = Vendor does not accept



Future Catalog Additions

Element		Description
DSCP unique	M	“Y” = Item is stocked exclusively for DSCP customer use. “N” = Item is NOT stocked exclusively for DSCP customer use.
Tare weight	O	Total weight of packaging on item (separate elements for aluminum, tin, paper, plastic, and glass).
Manufacturer's price – i.e. product price	M	Price charged by manufacturer



Future On-line Process

- EDI Vendors
 - Review catalog updates on line
- Non-EDI Vendors
 - Update catalogs on line



Remember...

- All information to be submitted in writing
- Technical and Cost or Price Proposals must be prepared separately
- A SIGNED and COMPLETED SOLICITATION must accompany the technical and cost or price proposals in its entirety, as well as any amendments, if applicable
 - Ensure all clauses that require a response are completed
- Request attachments from Contracting Officer, and use the provided spreadsheets for submission of pricing information
- Fill in, and sign SFI449 as required
- Sign, and return any/all amendments
- Return one completed copy of the solicitation
- Prepare and return eight copies of the Technical Proposal, and three copies of the Price Proposal
- Submit the Price Proposal and Distribution Price Categories chart on the formatted spreadsheets (attachment 1) in accordance with the instructions in the solicitation, and submit hard copies, as well as a copy on CD



Remember... (cont.)

- Submit manufacturer's invoices for every item listed in the Schedule of Items
 - NOTE: a manufacturer's quote is acceptable, but an invoice is preferable. The invoice quote submitted must be dated within thirty (30) days of the solicitation closing date
 - Refer to solicitation for actual requirements
- Submit a list of CONUS and OCONUS "Distribution Points" or "Places of Performance" that will directly support the proposed customers. Warehouses functioning as backups should be designated as such
- Check for accuracy on Business Proposal
- Submit a Subcontracting Plan if your firm is a large, domestic business
- Submit best offer



Solicitation POCs

- Gina Vasquez, Program Manager
 - (215)737-2911
 - Gina.Vasquez@dla.mil
- Thomas Haley, Contracting Officer
 - (215)737-7530
 - Thomas.Haley@dla.mil
- Tom Schrank, Acquisition Specialist
 - (215)737-4526
 - Thomas.Schrank@dla.mil
- Fax: (215)737-2910



Any Questions???

