

STATE OF OHIO
DEPARTMENT OF ADMINISTRATIVE SERVICES
GENERAL SERVICES DIVISION
OFFICE OF PROCUREMENT SERVICES
4200 SURFACE ROAD, COLUMBUS, OH 43228-1395

REQUIREMENTS CONTRACT: MEATBALLS, PROCESSED USING USDA COMMODITY GROUND BEEF

CONTRACT No.: OT900409

EFFECTIVE DATES: 07/01/08 to 06/30/11

The Department of Administrative Services has accepted bids submitted in response to Invitation to Bid No. OT900409 that opened on 03/05/08. The evaluation of the bid response(s) has been completed. The bidder(s) listed herein have been determined to be the lowest responsive and responsible bidder(s) and have been awarded a contract for the items(s) listed. The respective bid response, including the [Terms and Conditions for Bidding, Standard Contract Terms and Conditions, and Supplemental Contract Terms and Conditions](#), special contract terms & conditions, any bid addenda, specifications, pricing schedules and any attachments incorporated by reference and accepted by DAS become a part of this Requirements Contract.

This Requirements Contract is effective beginning and ending on the dates noted above unless, prior to the expiration date, the Contract is renewed, terminated or cancelled in accordance with the Contract Terms and Conditions.

This Requirements Contract is available to the Department of Education, Office for Safety, Health and Nutrition, 25 South Front Street, Mailstop 303, Columbus, OH 43215, as applicable.

Agencies are eligible to make purchases of the listed supplies and/or services in any amount and at any time as determined by the agency. The State makes no representation or guarantee that agencies will purchase the volume of supplies and/or services as advertised in the Invitation to Bid.

SPECIAL NOTE: State agencies may make purchases under this Requirements Contract up to \$2500.00 using the state of Ohio payment card. Any purchase that exceeds \$2500.00 will be made using the official state of Ohio purchase order (ADM-0523). Any non-state agency, institution of higher education or Cooperative Purchasing member will use forms applicable to their respective agency.

Questions regarding this and/or the Requirements Contract may be directed to:

Elizabeth Lind, CPPB
elizabeth.lind@das.state.oh.us

This Requirements Contract and any Amendments thereto are available from the DAS website at the following address:



<http://www.ohio.gov/procure>

Signed: _____
Hugh Quill, Director Date _____

TABLE OF CONTENTS

<u>CLAUSES</u>	<u>PAGE NO.</u>
Amendments to Contract Terms and Conditions	3
Classification	5
Contract Award	4
Contractor Information	8
Contractor's Responsibilities	8
Delivery and Acceptance	3
Documentation	3, 4
Evaluation	4
Payment	3
Price Schedule	8
Product Samples	4
Requirements – End Product Description	5, 6
Requirements – General Information	7, 8
Requirements – Labeling	7
Requirements – Packaging	7
Requirements – Palletizing	7
Requirements – Preparation and Processing	6
Requirements – USDA Certification Service	6
Requirements – USDA Commodity Description	5
Scope	5
Transportation Charges	3
Usage Reports	4

AMENDMENTS TO CONTRACT TERMS AND CONDITIONS: The following Amendments to the Contract Terms and Conditions do hereby become a part hereof. In the event that an amendment conflicts with the Contract Terms and Conditions, the Amendment will prevail.

DELIVERY AND ACCEPTANCE: Purchase orders for any item(s) listed in a contract awarded pursuant to this bid will be placed directly with the successful contractor by the using agency. Product will be processed and delivered within one (1) month (per one [1] truckload of commodity) of receipt of commodity or as mutually agreed by the contractor and the Ohio Department of Education and, in accordance with Article S-2 of the Supplemental Contract Terms and Conditions. Deliveries shall be made to the following Ohio sites. The delivery location will be noted on the purchase order issued by the participating agency. All shipments are to be one stop composite truckloads, with the exception of the final delivery, which may require a partial load to each site at no additional charge to the state. Unloading is by appointment only. The contractor shall contact the cold storage facilities to make an appointment for unloading prior to loading for shipment. The percentage of total product to be delivered to each location is also provided. The state reserves the right to add, delete, or change distribution centers and/or percentage of usage during the course of the contract. Acceptance (transfer of title) will occur upon the inspection and written confirmation by the ordering agency that the supplies delivered conform to the requirements set forth in the Contract. Unless otherwise provided in the Contract, acceptance shall be conclusive except in regards to latent defects, fraud, or such gross mistakes as amount to fraud.

<u>CITY</u>	<u>WAREHOUSE</u>	<u>PERCENTAGE OF PRODUCT</u>
Dayton, Ohio	Terminal Cold Storage	50%
Columbus, Ohio	SYSCO Foodservice	25%
Cleveland, Ohio	SYSCO Foodservice	25%

TRANSPORTATION CHARGES: Any item(s) ordered from a contract awarded pursuant to this bid shall be shipped F.O.B. destination, freight prepaid to the three (3) cold storage facilities in the state of Ohio listed above. Commodity will be delivered to the contractor by the United States Department of Agriculture (USDA), F.O.B. Destination.

PAYMENT: Shall be in accordance with Article III.B. of Contract Terms and Conditions with the following exception: Payments will be due on the 90th calendar day rather than the 30th calendar day.

DOCUMENTATION

1. The bidder should submit a narrative of their processing and fabrication procedures as part of the bid response each product offered. The processing and fabrication procedures are to describe the product and the exact method of processing.
2. The bidder should submit a nutrition analysis as part of the bid response for each product offered.
3. SPA Ohio (State Participation Agreement): If the successful contractor has in place a national agreement with the USDA, they shall complete and sign a SPA Ohio (State Participation Agreement) prior to the inception date of any ensuing contract. The agreement will be provided by the Ohio Department of Education (ODE), Office for Safety, Health, and Nutrition (OSHN) and is the authority to process USDA commodity foods and adherence to its contents is mandatory. Failure to complete and return this document prior to inception date of any ensuing contract may result in immediate cancellation from contract. The SPA Ohio (State Participation Agreement) may be reviewed at the ODE web site: at the following url:

<http://www.ode.state.oh.us/GD/Templates/Pages/ODE/ODEDetail.aspx?page=3&TopicRelationID=487&Content=21647>

Should the successful contractor not currently have in place a national agreement with the USDA, either a national or state master agreement will be required. As part of this process, the successful contractor shall furnish to the ODE a surety bond obtained only from a surety company listed in the U.S. Department of Treasury Circular 570, "Surety Companies Acceptable on Federal Bonds", an irrevocable letter of credit, or an escrow account. Such bond, letter of credit, or escrow account shall be made payable to the Ohio Department of Education. The bond shall guarantee that the processor shall faithfully account for, return, or pay for all of the commodity food received or carried forward, in accordance with the processing agreement.

4. Quality Control/Total Quality Control: Prior to contract inception, the contractor shall submit to the ODE, OSHN a narrative of the quality control or total quality control program at the processing plant. The narrative of the quality control or total quality control program is not to be submitted as part of the bid response.

Documentation listed above that is designated to be submitted with the bid response may also be requested during bid evaluation. Documents will be requested during evaluation and a deadline of seven (7) calendar days provided for submission. Failure to provide documents requested by the deadline provided will deem the bid not responsive.

PRODUCT SAMPLES: A sample of the product offered is required. A sample shall consist of one (1) case of end product specified. Product samples shall meet all requirements specified herein and shall bear required labeling and markings. Each sample shall be identified as to content, processor, bid number, and bidder's company name. The sample must be certified by the United States Department of Agriculture (USDA) Agricultural Marketing Service (AMS), Livestock and Seed Division as meeting formulation, specification, fabrication and packaging requirements, as well as having been processed under constant USDA supervision. Samples submitted without a USDA, AMS, Livestock and Seed Division grading certificate will not be considered for award. Product samples shall be submitted prior to the close of business on Tuesday, March 4, 2008 to the address shown below.

Office for Safety, Health, and Nutrition
c/o SYSCO Foodservice
Attn: Erik Jablanka/J.R. Green
2400 Harrison Road
Columbus, OH 43228
Telephone: (614) 930-4229

One-half (1/2) case of each product sample shall be used in sample evaluation and the other one-half (1/2) case shall be used for comparison to actual processed product received during the term of any contract issued pursuant to this bid. The samples may be analytically tested. Samples will not be returned. Failure to submit samples as specified will deem the bid not responsive.

EVALUATION: Bids will be evaluated in accordance with Article I-5 of the "Instructions to Bidders". In addition, the state will evaluate the bid according to the fee per pound for processing offered on the bid pricing page.

There will be a taste test of the samples submitted to determine acceptability. There will be, at a minimum, a five (5) member panel composed of members of the Ohio Advisory Committee made up of food service professionals from across the state of Ohio. Samples will be evaluated for appearance, color, aroma, flavor (taste), and texture. If product sample is deemed unacceptable as a result of the taste test, no further consideration for award shall be given. If the product sample submitted for the taste test exceeds the specifications, as stated in the bid and is presented as being the end product for the entire contract, then the sample shall be the standard for the entire contract with anticipated yields as projected and costs as stated.

CONTRACT AWARD: The contract will be awarded to the lowest responsive and responsible bidder by line item.

USAGE REPORTS: Every six (6) months the contractor must submit a report (written or on disk) indicating sales generated by this contract. The report shall list usage by customer, by line item, showing the quantities/dollars generated by this contract. The report shall be forwarded to the Office of Procurement Services, 4200 Surface Road, Columbus, Ohio 43228-1395, Attn: Elizabeth Lind.

SPECIFICATION

I. SCOPE AND CLASSIFICATION

A. Scope: The purpose of this bid is to obtain a contractor to process United States Department of Agriculture (USDA) commodity ground beef into fully cooked meatballs for the Ohio Department of Education (DOE), Office for Safety, Health and Nutrition (OSHN). It is anticipated that approximately 252,000 pounds of ground beef will be made available by the USDA to the state of Ohio annually and that this quantity will be processed annually under any term contract issued pursuant to this Invitation to Bid (ITB). The quantity specified is based on anticipated commodity availability from the USDA and the state of Ohio is not obligated to request processing of this or any other quantity. Commodity ground beef is anticipated to become available in July, 2008. Commodity ground beef will be delivered to the contractor in truckload quantities of 42,000 pounds each. The contractor shall process the end product and make delivery to the three (3) cold storage facilities specified herein. Bid prices (fee for processing per pound of finished product) shall include all transportation charges for delivery of processed product to the cold storage facilities, the cost of USDA certification service and any other costs associated with providing the specified end products. The term of any contract issued pursuant to this ITB shall be for three (3) years, from July 1, 2008 through June 30, 2011.

B. Classification

1. Meatballs, Beef, Fully Cooked, Individually Quick Frozen (IQF)

II. REQUIREMENTS

A. USDA Commodity Description

1. Ground Beef, Coarse, Frozen (IMPS 136)
 - a. Ground through a plate having holes no larger than one inch (1") and no smaller than five-eighths of an inch (5/8")
 - b. Fat Content: Maximum 18.99%
 - c. Packaging: 60 lb. fiberboard shipping containers

B. End Product Description

1. Meatballs, Beef, Fully Cooked, Individually Quick Frozen (IQF)

a. Formulation

<u>Ingredients</u>	<u>Percentage</u>
USDA commodity coarse ground beef	67.00% maximum
Water	19.00% maximum
Bread Crumbs	8.00% maximum
Vegetable protein product, unhydrated	2.00% minimum
Seasonings/Other	2.50% maximum
Salt	1.50% maximum

- b. Product shall be prepared using USDA commodity coarse ground beef according to the above formulation.
- c. The USDA commodity ground beef shall be tempered to no more than 40° F. for processing.
- d. The USDA commodity ground beef shall be ground through a block grinder to achieve a consistent initial grind.

SPECIFICATION (Cont'd.)

- e. The USDA commodity ground beef shall then be ground a final time through a mixer/grinder and the other ingredients listed in the formulation shall be added and well blended to achieve a raw meatball mix.
 - f. The meatball mixture shall be ground through a one-eighth inch (1/8") grinder head with a USDA approved bone collection device attached and operating.
 - g. The raw meatball mixture shall be transferred into manufacturing equipment capable of producing a portion than, when fully cooked, shall be round in appearance and consistent in portion weight.
 - h. Minimum weight per meat ball shall be 0.65 ounces and maximum weight per meatball shall be 0.75 ounces.
 - i. Meatball size and shape shall be uniform.
 - j. Four (4) meatballs must provide a two (2) ounce meat/meat alternative serving for the National School Lunch Program.
 - k. The meatballs shall have a mild Italian flavor, so as to be pleasing to all ages of children.
 - l. The meatballs shall have a soft, moist texture after reheating.
 - m. Meatballs shall have no charbroiling, charbroil lines or charbroil flavor.
 - n. Meatballs shall not contain egg, egg products, any type of cheese, artificial ingredients or monosodium glutamate (MSG).
 - o. Meatballs shall be individually quick frozen (IQF) to allow for easy separation by the end users.
- C. Preparation and Processing: All preparation and processing described herein shall occur subsequent to the date of award. The product shall be produced, processed and stored in plants regularly operating under the supervision of a representative of the USDA, Food Safety and Inspection Service (FSIS) and the USDA, Agricultural Marketing Service (AMS), Livestock and Seed Division. Contractor shall have an approved USDA hazard analysis critical control points (HACCP) program and a total quality control (TQC) program at the processing plant.
- D. USDA Certification Service
- 1. As part of Option 2 coverage, the USDA, AMS, Livestock & Seed Division grader shall continuously monitor the processing and fabrication procedures. Product shall be processed under continuous USDA supervision.
 - 2. All product must be examined and accepted by a USDA, AMS, Livestock and Seed Division grader prior to delivery. The contractor shall arrange and pay for the necessary USDA service.
 - 3. A USDA, AMS, Livestock and Seed Division grading certificate shall accompany each shipment of product, showing that the product was produced under continuous USDA supervision, is in sound condition, and meets the specification requirements. Product not accompanied by a grading certificate will be rejected, shall remain the property of the contractor, and shall be returned at contractor's expense.
 - 4. Each case shall be stamped with the USDA contract compliance stamp and the certificate number. Product not identified with the contract compliance stamp will be rejected, shall remain the property of the contractor, and shall be returned at contractor's expense.
 - 5. All further processed products, prior to final packaging, shall be examined by a metal detector device capable of detecting metals that may be present. Sensitivity levels and testing for acceptable operation shall be as specified in procedures established by the USDA, AMS, Livestock and Seed Division.

SPECIFICATION (Cont'd.)

E. Packaging

1. Product shall be packed in five (5) pound net weight sealed plastic pouches, 6/5 lb. per thirty (30) pound case. Alternate case weight of thirty (30) to 40 (forty) pounds is acceptable; however, no alternate weight for the five (5) pound bag will be acceptable.
2. All packaging and packing materials must be new and clean and must not impart objectionable odors or flavors to the products.
3. Bags shall be securely closed. Metal wire ties, metal clips, paper-coated wire ties or staples shall not be used for sealing plastic-film bags.
4. Staples shall not be used as a final case closure. Case closure shall be accomplished by taping, strapping or gluing. All boxes within the delivery unit of an individual product shall be of a uniform size and weight.
5. Boxes shall be one piece, die-cut, regular slotted container (RSC) design. Fiberboard shall be testing not less than two hundred (200) pounds. No holes in boxes are permitted.

F. Labeling

1. Printed, stamped and stenciled labeling and marking information on shipping containers must be water-fast, non-smearing, of a contrasting color and readable.
2. The contribution value of a serving to the National School Lunch Program (NSLP) pattern, the nutrition analysis, and the reheating and serving size information shall be printed on the outside of the master case or may be included as an insert in each master case.
3. The shipping container shall bear the USDA contract compliance stamp and certificate number.
4. Reheating Instructions: Reheating instructions shall be sent to the Ohio Department of Education, Office of Safety, Health and Nutrition prior to initial shipment of all products.

G. Palletizing: Shipments may be requested as palletized deliveries; and if requested, shall conform to the following:

1. Manufacturers standard 40" x 48" partial 4-way shipping pallets are acceptable.
2. Maximum Height: 7'6" (including pallet).
3. Maximum Weight: 3500 pounds (including pallet).
4. Pallets are to be securely banded or shrink wrapped.
5. The cost of palletizing must be included in the unit price.

Pallet exchange is satisfactory with all warehouses.

H. General Information

1. The delivered product shall comply with all applicable federal and state mandatory requirements and regulations relating to the preparation, packaging, labeling, storage, distribution and sales of the product in the commercial marketplace.
2. All commodities and services to be furnished hereunder shall conform to the specifications as noted herein. All product shall be processed in the United States.
3. If laboratory analysis is done in accordance with Article S-15 of the Supplemental Contract Terms and Conditions, the laboratory analysis will be predicated upon the formulation specified herein.

SPECIFICATION (Cont'd.)

4. Guaranty: By the signature affixed on page 1 of this bid, contractor guarantees that, as of the date of delivery to the State or the State's agent, the product(s) offered is (are) not adulterated or misbranded within the meaning of the Federal Meat Inspection Act.

III. CONTRACTOR'S RESPONSIBILITIES

In addition to those responsibilities specified above, the contractor shall be responsible for the following.

- A. Prime Contractor Responsibilities: The prime contractor will be required to assume responsibility for all contractual activities offered in this agreement, whether or not that contractor performs them. Further, the state will consider the prime contractor to be the sole point of contact with regard to contractual matters, including payment of any and all charges resulting from the anticipated contract. If any part of the work is to be subcontracted, the contractor shall provide a list of subcontractors, including firm name and address, contact person, complete description of work to be subcontracted and descriptive information concerning subcontractor's organizational abilities. The state reserves the right to approve subcontractors and to require the primary contractor to replace subcontractors found to be unacceptable. The contractor is totally responsible for adherence by the subcontractor to all provisions of the contract. Any change in subcontractors must be approved by the state, in writing, prior to such change.
- B. Accounting Records: The contractor and all subcontractors shall maintain all pertinent financial and accounting records and evidence pertaining to the contract in accordance with generally accepted principles of accounting and other procedures specified by the state of Ohio. Financial and accounting records shall be made available upon request to the state of Ohio, its designees or the Ohio Auditor of State at any time during the contract period and any extension thereof, and for three (3) years from expiration date and final payment on the contract or extension thereof.

PRICE SCHEDULE

OAKS ITEM ID	ITEM DESCRIPTION	USDA COMMODITY WEIGHT (TL)	MINIMUM YIELD OF END PRODUCT PER TL OF COMMODITY	FEE FOR PROCESSING (PER LB. OF END PRODUCT)
9293	Meatballs, Beef, Fully Cooked	42,000 lbs.	54,925 lbs.	\$ 0.736 per lb.

Case Pack: Six (6), five (5) lb. bags per case (30 lb. case)

CONTRACTOR, TERMS AND DELIVERY:

46743
 JTM Provisions Co., Inc.
 200 Sales Drive
 Harrison, OH 45030

BID/CONTRACT NO.: OT900409-1 (06/30/11)

TERMS: Net 90 Days

DELIVERY: In accordance with 'Delivery and Acceptance' paragraph, page 3

CONTRACTOR'S CONTACT: Mr. Dave Hackman

Toll Free: (800) 626-2308
 Telephone: (513) 367-4900
 FAX: (513) 367-3508
 Email: davehackman@jtmfoodgroup.com

CONTRACTOR'S IT/MIS CONTACT: Mr. Jeff Jung

Toll Free: (800) 626-2308