



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

MANDATORY USE CONTRACT FOR: FULLY COOKED PORK BREAKFAST SAUSAGE PATTY, REDUCED SODIUM AND FAT, FROZEN PROCESSING USING USDA COMMODITY PORK

CONTRACT No.: OT902717

EFFECTIVE DATES: 09/20/16 to 06/30/17

The Department of Administrative Services has accepted bids submitted in response to Invitation to Bid No. OT902717 that opened on 08/12/16. 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](#) (Revised 10/2013), 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 DEPARTMENT OF EDUCATION, OFFICE FOR CHILD 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.

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

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

Signed: _____
Robert Blair, Director Date

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SPECIAL CONTRACT TERMS AND CONDITIONS

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 of receipt of the commodity order or as mutually agreed by the contractor and the Department of Education and in accordance with paragraphs S-8, S-9, and S-10 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 in accordance with the quantities ordered. Quantities ordered may be to the nearest whole pallet, or as mutually agreed by the contractor and the Department of Education. Unloading of ordered product shall be by appointment only. The contractor shall contact the cold storage facilities to make an appointment for unloading prior to loading for shipment. The state reserves the right to add, delete, or change distribution centers and/or percentage of usage during the term 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 as regards to latent defects, fraud, or such gross mistakes as amount to fraud. The approximate percentage of total product to be delivered to each location is also provided below.

<u>CITY</u>	<u>WAREHOUSE</u>	<u>EST. VOLUME OF TOTAL PRODUCTS</u>
Dayton, Ohio	Fre-Flo Distribution, Inc	50%
Cleveland, Ohio	Net Pac International LLC	50%

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 two (2) cold storage facilities in the state of Ohio listed above. Due to expiration of some existing warehouse contracts, It is possible that the delivery destinations as well as the percentage of finished product to the destinations above may change during the contract period. Any such changes should not attract additional charges to ODE. Bidders may take this into consideration in their bid. Commodity will be delivered to the contractor by the 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. If payment terms are listed on the invoice to the Ohio Department of Education, it must be consistent with the terms in the contract. This 90th calendar day payment term will supersede any payment term listed on page one of the bid. By signing page one of the bid, bidder is in acknowledgement of the 90th calendar day payment term.

DOCUMENTATION:

1. The bidder should submit a narrative of their processing and fabrication procedures as part of the bid response for all products to be produced under this contract. The processing and fabrication procedures are to describe the product and the exact method of processing.
2. SPA Ohio (State Participation Agreement): The successful contractor shall complete and sign a National Processing Agreement or an Ohio Processing Agreement prior to the inception date of any ensuing contract. The processing agreement will be provided by the Department of Education, Office for Child Nutrition 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. Bidder shall also upon request by OCN, submit a copy of a USDA approved Summary End Product Data Schedule (SEPDS) of all products for which a bid has been awarded

Attachment A to the bid, which is Page 10 of the processing agreement is 'Certification Regarding Debarment, Suspension, Ineligibility and Voluntary Exclusion – Lower Tier Covered Transactions' (Form AD-10-48 [11/97]). This page of the agreement only should be submitted as part of the bid response.

SPECIAL TERMS AND CONDITIONS (CONT'D.)

Processor shall furnish to Department of Education 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 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.

3. Quality Control/Total Quality Control: The contractor shall submit with the completed Commodity Food Processing Agreement 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
4. Nutritional Analysis: As part of the bid response, the bidder should submit a nutrition analysis for all finished products proposed to be processed for the Department for Child Nutrition.
5. Child Nutrition (CN) Labels: As part of the bid response, the bidder should submit a CN label for all end products offered. Should the processor not have a CN label for an item(s) at the time of bid opening, a copy of the processor's application for CN labeling should be submitted. The approved CN label(s) must be provided to OCN prior to commencement of commodity processing. Failure to provide an approved CN label(s) will result in immediate termination of any contract issued pursuant to this bid.

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

SAMPLES: A sample of products specified is required. A sample shall consist of two (2) cases thirty (30) pound case of each end product. Product samples shall meet all requirements specified herein and shall bear required labeling and markings, including clear and concise serving preparation and heating instructions for the product. Samples shall be submitted by 1:00 pm on August 12, 2016 to the address shown below:

Ohio Department of Education, Office for Child Nutrition
c/o Fre-Flo
20-60 Eaker Street
Dayton, Ohio 45402
Telephone: (937) 223-3138 Ext. 10
Attn: Amy Eberg

DELIVERY APPOINTMENT FOR SAMPLE SUBMISSION: Bidders must call to obtain delivery appointments from Fre-Flo at (937) 223-3138 Ext. 10, or provide at least a 24-hour notification prior to shipping all bid products to the warehouse. The bidder (or shipper of bidder's product) shall provide advance information to the warehouse that include the bidder's company name, product bid Contract Number, Index number, a short description or name of the product, and the number of cases to be delivered. Bid sample products for which prior delivery appointments or notification have not been secured in advance of shipment may not be accepted by the warehouse.

All samples provided as part of a bid must include the OT number clearly marked on the label of each box. All samples provided as part of a bid must clearly identify the bidder on the label of each box. If the bidder provides samples produced by another company, all samples must clearly identify both the original producer and the bidder on the label of each box.

The USDA certificate shall certify that the samples have been processed according to the specifications and the fabrication methods specified in the bid. Each sample shall be identified as to content, processor, bid number, and bidder's company name. One case of each end product shall be used for bid evaluation and the other one case of each end product shall be used to verify actual processed product received during the contract period. Samples will not be returned. All samples shall be produced subsequent to the date of release of this Invitation to Bid. Samples may be analytically tested. Bench top samples or R&D samples will be deemed not responsive. Any variations between the samples and the products being delivered that are due to manufacturer changes may be acceptable and shall require prior written approval from DAS. Variations without prior written approval from DAS will be considered as an event of default. Failure to submit samples as specified will result in the bidder being deemed as not responsive.

SPECIAL TERMS AND CONDITIONS (CONT'D.)

EVALUATION: Bids will be evaluated in accordance with Article I-17 of the "Instructions, Terms, and Conditions for Bidding". There will be a taste testing of the samples submitted to determine acceptability. There will be, at a minimum, a five (5) member panel composed of food service professionals from across the state of Ohio. Samples will be evaluated for appearance, color, aroma, flavor (taste), and texture. If product 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 contract, then the sample shall be the standard for the entire contract with anticipated yields as projected and costs as stated. In addition, the bid will be evaluated according to the fee per pound for processing the specified finished product. One case of each product shall be used for bid evaluation to determine acceptability and the other case shall be used to verify and validate actual processed product received during the contract period. No further consideration may be given if the product sample submitted by a bidder fails to meet the evaluation criteria.

CONTRACT AWARD: The contract will be will be awarded to the lowest responsive and responsible bidder and by low lot total. Low lot total price shall be determined by dividing the pounds of a full truckload of USDA raw commodity for processing by the quoted minimum yield in pounds of finished product from the truckload and multiplying this by the processing fee per pound offered by the bidder. The extended prices of all line items in this bid will be added to obtain the low lot total. Failure to bid all commodity items in this bid may result in the bidder being deemed not responsive.

CONTRACT RENEWAL: Should the term contract be renewed beyond the June 30, 2017 expiration date, the prices offered for the contract shall be effective for the term of the renewal(s).

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 State Purchasing, 4200 Surface Road, Columbus, Ohio 43228-1395, Attn: Procurement Services

SPECIFICATIONS

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 pork into fully cooked reduced sodium and reduced fat breakfast sausage patties for the Ohio Department of Education (ODE), Office for Child Nutrition (OCN). It is anticipated that approximately 80,040 pounds of USDA commodity pork will be made available by the USDA to the State of Ohio annually if market conditions warrant. It is anticipated that product will become available between July 1, 2016 and June 30, 2017. The quantity specified is based on anticipated product availability from the USDA and the State of Ohio is not obligated to request processing in these or any other quantity. The USDA will deliver the pork to the contractor and the contractor shall deliver processed products to the two cold storage facilities in the State in the course of each school year. The ordered quantity of each finished product from the contractor or processor as determined by demand from eligible State Beneficiaries of the National School Lunch Program (NSLP) shall be in full pallet amounts. Bid prices (fee for processing per pound of finished product) shall include all transportation charges for delivery of processed product, as well as all other costs associated with providing the specified end products to the cold storage facilities. The term of any ensuing contract shall be for a period of twelve (12) months, from July 1, 2016 through June 30, 2017.

B. Classification

Fully Cooked Pork Breakfast Sausage Patty, Reduced Sodium and Fat, Frozen

II. REQUIREMENTS

A. USDA Commodity Description

USDA Commodity Pork, Picnic, Material Code 100193

B. End Product Description

Fully Cooked Pork Breakfast Sausage Patty, Reduced Sodium and Fat, Frozen.

Ingredients

Formulation

USDA Commodity Pork Ground	73% minimum
Soy Concentrate (VPP)	6.50% maximum
Water	14.00% maximum
Seasoning	7.50% maximum

1. All end products will meet the smart snack standards which are as follows: 350 calories or less per serving, 480 mg of sodium per serving, less than 35% of calories from fat, less than 10% of calories from saturated fat, 0 grams of trans fat and less than 35% of weight from total sugars per serving.
2. The fully cooked pork breakfast sausage patty, reduced sodium and fat, frozen shall be prepared from USDA commodity pork according to the above formulation.
3. The contractor shall grind pork and thoroughly mix pork with other ingredients.
4. The pork patties shall have a firm and moist texture similar to that of cooked ground pork. The form of the product must resemble a natural pork breakfast patty.
5. The pork patties shall be cooked to an internal temperature of 165 degrees Fahrenheit for a minimum of 16 seconds. The pork patties shall have natural flavorings to protect the flavor.
6. Once cooking is completed, pork patties shall be individually quick frozen (IQF) and boxed.

SPECIFICATIONS (CONT'D.)

7. The pork patties shall contain natural flavorings to protect flavor.
8. Product must not contain monosodium glutamate (MSG).
9. The pork patties shall have a cooked diameter OF 2.5" (+/- .10)
10. Breakfast seasoning shall be added to the meat mixture and other ingredients, producing a finished product with a distinct breakfast pork sausage taste, but not spicy or hot in taste.
11. Each fully cooked pork patty shall provide 2.0 oz. equivalent meat/meat alternative (M/MA) for the child nutrition meal pattern requirements.

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 USDA, AMS, Livestock & Seed Division. Quality assurance and specification requirements for the specified item(s) shall be determined by the USDA, AMS, Livestock & Seed Division in accordance with USDA procedures.

D. USDA Certifications

1. As part of Option 2 coverage, the product shall be produced under USDA Process Control Certification Program (PCCP).
2. All product must be examined and accepted by a USDA, AMS, Livestock & Seed Division grader prior to delivery. The contractor shall arrange and pay for the necessary USDA service.
3. A USDA, AMS, Live Stock & 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 USDA, AMS, Livestock & Seed Division.

E. Packaging

1. Products shall be bulk packed in shipping cartons with clear plastic liners. Case weight of 20-40 pounds of finished product, with all case weights being uniform. Case weights outside the weight range specified will not be acceptable. Please indicate the case weight offered on bid pricing page.
2. All packaging and packing materials must be new and clean and must not impart objectionable odors or flavors to the product.
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 full telescope RSC design. Fiberboard shall be testing not less than 250 lbs. No holes in boxes are permitted.
6. The individual case labels shall have the product name clearly marked on the exterior.

SPECIFICATIONS (CONT'D.)

F. Labeling

1. The contribution value of a serving to the National School Lunch Program (NSLP) pattern, the nutritional 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.
2. Product shall have an approved CN label.
3. Each case shall bear the USDA contract compliance stamp and certificate number.
4. The shipping carton shall contain ingredient statement, name of product, and date of pack.
5. Printed, stamped, and stenciled labeling and marking information on shipping containers must be water-fast, non-smearing, of a contrasting color, clear and readable.
 - a. Labeling of products shall be in compliance with all guidelines as specified by the U. S. Food and Drug Administration regulations 21 CFR 101 and 9 CFR 317 Subpart B; The Food Allergen Labeling and Consumer Protection Act of 2004 (Public Law 108-282, Title II); and the State of Ohio Rule 3717-1-03.5(C), (the administrative rule adopted under Ohio Revised Code 3717.53).
 - b. Labeling of products containing the major food allergens - milk, egg, fish (e.g., bass, flounder, or cod), Crustacean shellfish (e.g., crab, lobster, or shrimp), tree nuts (e.g., almonds, pecans, or walnuts), wheat, peanuts, and soybeans - shall be in compliance with the Food Allergen Labeling and Consumer Protection Act of 2004 (Public Law 108-282, Title II) and the State of Ohio Rule 3717-1-03.5(C), (the administrative rule adopted under Ohio Revised Code 3717.53).

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.
6. 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 within the commercial marketplace.
2. All commodities and services to be furnished hereunder shall conform to the specifications as noted herein. All products shall be processed in the United States.
3. No bid responses offering standard yield processing of chicken will be deemed acceptable. All bid proposals shall utilize guaranteed minimum return (or GMY).
4. If laboratory analysis is done in accordance with Article S-15 of the Supplement Contract Terms and Conditions, the laboratory analysis will be predicated upon the formulation specified herein.
5. 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 Food, Drug and Cosmetic Act ("the ACT"), and not an article which may not, under the provisions of section 404, 505, or 512 of the Act, be introduced into interstate commerce.

SPECIFICATIONS (CONT'D.)

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 one (1) year from expiration date and final payment on the contract or extension thereof.

PRICE SCHEDULE

FULLY COOKED PORK BREAKFAST SAUSAGE PATTY, REDUCED SODIUM AND FAT, FROZEN PROCESSING USING USDA COMMODITY PORK.

OAKS ITEM ID	END PRODUCT	CASE PACK OFFERED (Ex. 3/10# OR 6/5#)	NUMBER OF SERVINGS PER CASE	COMMODITY WT. PER TL	GUARANTEED MINIMUM YIELD PER 40,020 USDA PORK PICNIC.	FEE FOR PROCESSING (PER POUND OF END PRODUCT)
30125	Fully Cooked Pork Breakfast Sausage Patty, Reduced Sodium and Fat, Frozen	6/5	384	42,000	36,040	\$ <u>.714</u> per lb. \$ <u>21.42</u> per case

Case pack offered: 6/5 lb per case Case Weight Offered (lbs.) 30

Number of Servings Per Case 384

** Product(s) packaging contains recycled material: Yes x No; If yes, 35 %

* Minimum yield under this contract are the pounds of end product returned to the state of Ohio on full truckload weight of USDA commodity product.

CONTRACTOR INDEX



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

BID CONTRACT NO.: OT902717-1

DELIVERY: As Specified

TERMS: Net 90 Days

CONTRACTOR'S CONTACT: Mike Ptak

Telephone: (513) 367-4900

Toll Free: (800) 626-2308

FAX: (513) 367-3508

E-mail: mikeptak@jtmfoodgroup.com