

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: TACO FILLING, PROCESSED USING USDA COMMODITY GROUND BEEF

CONTRACT No.: OT909515

EFFECTIVE DATES: 07/16/15 to 06/30/18

The Department of Administrative Services has accepted bids submitted in response to Invitation to Bid No. OT909515 that opened on 04/27/15. 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 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.

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

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

Minority Business Enterprise Award in accordance with ORC CH. 125.081

Signed: \_\_\_\_\_  
Robert Blair, Director Date

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**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.

**MINORITY BUSINESS ENTERPRISE (MBE) SET ASIDE:** The State is committed to making more State contracts and opportunities available to minority business enterprises (MBE) certified by the Ohio Department of Administrative Services (DAS) pursuant to Section 123.151 of the Ohio Revised Code and Rule 123:2-15-01 of the Ohio Administrative Code. This ITB is being issued as a minority set aside contract in accordance Section 125.081 of the Ohio Revised Code. All bidders must be an Ohio certified MBE as of the Bid opening date. If a certification application has been submitted that needs to be expedited to meet the solicitation opening date, contact the DAS Equal Opportunity Division at 614-466-8380. For more information regarding Ohio MBE certification requirements, including a list of Ohio certified MBE business, please visit the DAS Equal Opportunity Division web site at:

<http://das.ohio.gov/Divisions/EqualOpportunity/MBEEDGECertification/tabid/134/default.aspx>

**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 USDA commodity (per one [1] truckload of commodity) or as mutually agreed by the contractor and the 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 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 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 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.

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

**TRANSPORTATION CHARGES:** Any item(s) ordered from a contract awarded pursuant to this bid shall be shipped F.O.B. destination, freight prepaid, unless noted in a Minimum Order clause below. Shipment shall be made to the three (3) cold storage facilities in the state of Ohio listed above. Commodity will be delivered to the contractor by the USDA F.O.B. Destination.

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

**DOCUMENTATION:**

- The bidder should submit a narrative of their processing and fabrication procedures as part of the bid response for product to be produced under this contract. The processing and fabrication procedures are to describe the product and the exact method of processing.
- 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://education.ohio.gov/GD/Templates/Pages/ODE/ODEDetail.aspx?page=3&TopicRelationID=487&ContentID=842&Content=77591>

Under "Processing Agreements", click on the link for "SYS2009 State Processing Agreement Ohio (PDF)". 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.

Inventory protection is required by the Department of Education prior to the delivery of commodity food to the processor. The minimum amount of the bond, letter or credit or escrow account shall be determined by: value of the commodity food plus value of commodity food on order minus anticipated usage rate during the processing Agreement period. The bond shall remain in effect until all commodity food is properly accounted for, paid for or returned in accordance with the processing agreement. Liability for loss is provided in Article 18 of 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. Nutrition 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 of Education, Office for Safety, Health, and Nutrition.

SAMPLES: A sample of product offered is required. A sample shall consist of two (2) cases. Product samples shall meet all requirements as specified herein and shall bear required labeling and markings. The samples must be certified by the United States Department of Agriculture (USDA) Agricultural Marketing Service (AMS), Livestock & Seed Division as meeting formulation, specification, and fabrication requirements. Samples shall be submitted by 2:00 pm on Monday, April 27, 2015 to the address shown below:

Attn: Cindy Watkins//Oji Ohajuruka  
Office for Child Nutrition  
20-60 Eaker Street  
Dayton OH 45402  
Telephone: (937) 223-3018 Ext. 10

The USDA certificate shall certify that the sample conforms to the specifications of this bid in the formulation and packaging. Sample shall be identified as to content, processor, bid number, and bidder's company name. All samples must be accompanied by a USDA, AMS, Livestock & Seed Division grading certificate. Samples submitted without a USDA, AMS, Livestock & Seed Division grading certificate will not be considered for award. One (1) case of beef taco filling shall be used for bid evaluation and the other case of beef taco filling 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.

#### DELIVERY APPOINTMENT FOR SAMPLE SUBMISSION

Bidders must call to obtain delivery appointments from Terminal Cold Storage 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 (OT909515), Index number (EDU026), 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.

AWARD: There will be one (1) award to the lowest responsive and responsible bidder meeting all bid specifications and requirements listed herein.

#### Third Party Administration

The Ohio Department of Education may notify the Contractor at any time that communication, administration, management, or any other function or responsibility of Ohio Department of Education have been, will be, or may be assigned to a third party for the duration or any other portion of the contract. Rights and responsibilities of the Contractor to any third party assignee of the Ohio Department of Education shall be congruent to the rights and responsibilities of the Contractor to the Ohio Department of Education itself, unless otherwise excepted by agreement or law.

EVALUATION: Bids will be evaluated in accordance with Article I-17. of the Instructions for Bidders. The fee per pound for processing offered by the bidder will be multiplied by the minimum yield per truckload of USDA commodity and then multiplied by the number of truckloads estimated to be processed annually to obtain an extended line item total. 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.

USAGE REPORTS: Every twelve (12) 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: Senthana Mahendrarasa

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 beef taco filling for the Ohio Department of Education (DOE), Office for Safety, Health, and Nutrition (OSHN). It is anticipated that approximately 252,000 lbs. of USDA commodity ground beef will be made available by the USDA to the state of Ohio annually and that 252,000 lbs. annually will be processed under any ensuing contract. 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. USDA commodity ground beef will be delivered to the contractor and the contractor shall process product and deliver finished products to the three (3) cold storage facilities specified herein. Bid pricing (fee for processing per pound of finished product) shall include all transportation charges for delivery of processed product to cold storage facilities, the cost of USDA certification service, and any other costs associated with providing the specified product. The term of any ensuing contract shall be for a period of thirty-six (36) months, from July 1, 2015 through June 30, 2018.

B. Classification

1. Taco Filling, Beef, Reduced Fat, Precooked, Frozen

II. REQUIREMENTS

A. USDA Commodity Description

1. USDA commodity coarse ground beef, frozen
  - a. Packaged in 60 lb. fiberboard shipping container

B. End Product Description

1. Taco Filling, Beef, Reduced Fat, Precooked, Frozen

a. Formulation

<u>Ingredients</u>	<u>Percentage</u>
USDA commodity ground beef	54.0% minimum
Water	20.0% maximum
Tomato paste	10.0% maximum
Vegetable protein product	7.0% maximum
Seasonings (chili pepper, paprika, cumin, garlic, salt, onion)	5.0% maximum

- b. The reduced fat beef taco filling shall be prepared from USDA commodity ground beef, according to the above formulation.
- c. Each 2 ounce Meat/Meat Alternative (M/MA) serving of reduced fat beef taco filling must have no more than 6 total fat grams.
- d. Each 2 ounce Meat/Meat Alternative (M/MA) serving of reduced fat beef taco filling must have no more than 450 mg. of sodium.
- e. Product must not contain MSG.
- f. Product must not contain dried egg.

SPECIFICATION (Cont'd.)

- g. The taco filling shall have a firm and moist texture, similar to that of cooked ground beef.
- h. The reduced fat beef taco filling shall have a mild Mexican style flavor and shall not be hot or spicy.
- i. The ground beef shall be fully cooked and then drained of all excess liquids prior to the addition of other ingredients.
- j. The reduced fat beef taco filling shall be cooked to a temperature of 160° F.
- k. Once cooking is completed, product shall be chilled to 40°F., then frozen to 0° F. within seventy-two (72) hours.

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

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 products 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, Livestock & 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 & Seed Division.

E. Packaging: Product shall be packed in five (5) lb. net weight sealed boilable/microwavable plastic pouches, 6/5 lb. per thirty (30) lb. case. Alternate case weight of 30-40 lbs. is acceptable; however, no alternate weight for the five (5) lb. bag will be accepted.

1. General

- a. All packaging and packing materials must be new and clean, and must not impart objectionable odors or flavors to the product.
- b. 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.
- c. 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.
- d. Boxes shall be one piece, die-cut, regular slotted container (RSC) design. Fiberboard shall be testing not less than 200 lbs. No holes in boxes are permitted.

SPECIFICATION (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. Each case shall bear the USDA contract compliance stamp and certificate number.
3. Printed, stamped, and stenciled labeling and marking information on shipping containers must be water-fast, non-smearing, of a contrasting color, clear and readable.
4. Label shall meet the requirements of the Food Allergy & Consumer Protection Act (FALCPA) of 2004. Any of the eight (8) protein allergens shall be identified if used in the production process. It may be necessary to identify other allergens than the eight (8) protein allergens, as required by the Act
5. 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 within 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 Supplement Contract Terms and Conditions, the laboratory analysis will be predicated upon the formulation specified herein.
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. Receiving Information:

The contractor shall be responsible for:

1. Completing and filing with the Department of Education, Office for Safety, Health, and Nutrition overage, shortage and damage reports.

SPECIFICATION (Cont'd.)

2. Obtaining signed receipts (original bills of lading) from carriers of commodity foods.
  3. Mailing all deli very receipts and receiving reports to the OSHN no later than the following business day after receipt.
- B. 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 changes in subcontractors must be approved by the state, in writing, prior to such change.
- C. 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

Bidders shall not insert a unit cost more than 3 digits after the decimal point. Digit(s) beyond 3, after the decimal point, shall be dropped by State Purchasing and not used in the evaluation and any subsequent award.

ITEM ID	PRODUCT (PROCESSED AS SPECIFIED)	*** CASE PACK OFFERED	USDA COMMODITY WEIGHT (PER TRUCKLOAD)	* MINIMUM YIELD OF FINISHED PRODUCT PER 42,000 LBS. OF COMMODITY	FEE FOR PROCESSING (PER LB. OF FINISHED PRODUCT)
9295	Taco Filling, Beef, Reduced Fat, Precooked, Frozen	30 lbs.	42,000 lbs.	74,645 lbs.	\$0.766 per lb.

\*\* Product packaging contains recycled material: Yes X No \_\_\_\_\_ if yes, 30 %

\* Minimum yield under this contract is the percentage of finished product weight returned to the state on weight of raw commodity product.  
 \*\* Shall not be included in evaluation  
 \*\*\* See page 7, paragraph III.E. for acceptable case packs



CONTRACTOR INDEX

CONTRACTOR, DELIVERY, AND TERMS:

BID/CONTRACT NO.: OT909515-1



MINORITY BUSINESS ENTERPRISE (MBE)

0000216026  
Urban Food Concepts, LLC  
852 E Highland Rd  
Macedonia, OH 44056

DELIVERY: In accordance with 'PLACEMENT OF ORDERS'  
paragraph, page 3

TERMS: Net 90 Days

CONTRACTOR'S CONTACT: Mr. Claude Booker

Telephone: (330) 908-0493  
Email: [claudio@simplysouthernsides.com](mailto:claudio@simplysouthernsides.com)