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Bid Receiving Public Works and Government
Services Canada/Réception des soumissions Travaux
publics et Services gouvernementaux Canada
Pacific Region
401 - 1230 Government Street
Victoria, B.C.
V8W 3X4
Bid Fax: (250) 363-3344

Revision to a Request for a Standing Offer

Révision à une demande d'offre à commandes

Regional Master Standing Offer (RMSO)

Offre à commandes maître régionale (OCMR)

The referenced document is hereby revised; unless
otherwise indicated, all other terms and conditions of
the Offer remain the same.

Ce document est par la présente révisé; sauf
indication contraire, les modalités de l'offre demeurent
les mêmes.

Comments - Commentaires

Vendor/Firm Name and Address

Raison sociale et adresse du
fournisseur/de l'entrepreneur

Issuing Office - Bureau de distribution

Public Works and Government Services Canada -
Pacific Region
401 - 1230 Government Street
Victoria, B. C.
V8W 3X4

Title - Sujet RMSO Food		
Solicitation No. - N° de l'invitation E6VIC-180001/A		Date 2018-11-13
Client Reference No. - N° de référence du client E6VIC-180001		Amendment No. - N° modif. 003
File No. - N° de dossier VIC-8-41001 (254)	CCC No./N° CCC - FMS No./N° VME	
GETS Reference No. - N° de référence de SEAG PW-\$VIC-254-7603		
Date of Original Request for Standing Offer Date de la demande de l'offre à commandes originale		2018-10-11
Solicitation Closes - L'invitation prend fin at - à 02:00 PM on - le 2018-11-27		Time Zone Fuseau horaire Pacific Standard Time PST
Address Enquiries to: - Adresser toutes questions à: Muller, Laura		Buyer Id - Id de l'acheteur vic254
Telephone No. - N° de téléphone (250) 217-4446 ()		FAX No. - N° de FAX (250) 363-3344
Delivery Required - Livraison exigée		
Destination - of Goods, Services, and Construction: Destination - des biens, services et construction:		
Security - Sécurité This revision does not change the security requirements of the Offer. Cette révision ne change pas les besoins en matière de sécurité de la présente offre.		

Instructions: See Herein

Instructions: Voir aux présentes

Acknowledgement copy required Accusé de réception requis	Yes - Oui <input type="checkbox"/>	No - Non <input type="checkbox"/>
The Offeror hereby acknowledges this revision to its Offer. Le proposant constate, par la présente, cette révision à son offre.		
Signature	Date	
Name and title of person authorized to sign on behalf of offeror. (type or print) Nom et titre de la personne autorisée à signer au nom du proposant. (taper ou écrire en caractères d'imprimerie)		
For the Minister - Pour le Ministre		

Amendment 003 issued to amend the above-noted solicitation as follows:

This amendment has two parts. Part A is raised to publish information related to the Offeror's Conference and inquiries from potential offerors. Part B is raised to amend the solicitation document as specified.

PART A: Offeror's Conference.

I. Summary of Offeror's Conference, October 30th, 1300-1415 hrs

Welcome – introductions

Attendees:

Name	Company/Department
Laura Muller	Public Works and Government Services Canada
Kelsey Locke	Public Works and Government Services Canada
Chris Morton	Public Works and Government Services Canada
Celeine D'Amour	Department of National Defence
Keith Incitti	Department of National Defence
Cheryle McLaren	Correctional Services Canada
Colleen Peterson	Sysco
Mike Verzyl	Sysco
Glenn Miskulin	B&C Food Distributors
Louis Welch	Gordon Food Services
Katrina Colley	Albion Fisheries
Eppy Rappaport	Omnitsky Kosher
Richard Aspden	Islands West
Jack Mandleman	Red Ribbon Meats
John Bruch	Bimbo Canada Foodservice
Rick Pagan	Arthur Rogers & Associates Inc.
Andrew Watson	Arthur Rogers & Associates Inc.
Johanne Campbell	Arthur Rogers & Associates Inc.

Agenda: solicitation documents Parts 1 through 7, Annex A, Annex B, Annex C

There was a solicitation amendment posted yesterday which closed the solicitation date to November 27th.

Unless there is a need for clarification or questions, individual sections under each part will not be addressed.

1.2 Summary

Note that the issuance of any Standing Offers from this solicitation will not be mandatory to use; however, there are economies of scale associated with their use.

Part 2 – Offeror Instructions

2.1 Standard Instruction, Clauses and Conditions

Offerors are highly encourage to go through the 2006 standard instructions, as one of the updates is the ability to use ePost Connect. This service allows the offeror to submit offer online. Instructions can be found in the standard instructions.

2.2 Submission of Offers

If you having trouble using ePost, our Bid Receiving Unit will be happy to assist you. Please use the email address provided.

2.3 Enquiries – Request for Standing Offers

Based on the current solicitation closing date, the last day to ask questions is Friday, Nov. 16th. Please ask questions sooner rather than later so that we can avoid pushing back the solicitation closing date.

Related: 2.5 Improvement of Requirement during Solicitation Period

This clause says that PSPC is open to receiving Offeror feedback if there are ways to improve the SOW or Annex B.

Part 3 – Offer Preparation Instructions

No comments or questions in this section.

Part 4 – Evaluation Procedures and Basis of Selection

4.2 Basis of Selection – Multiple Items: we will be addressed in the discussion of Annex C

Part 5 – Certifications and Additional Information

No comments or questions in this section.

Part 6 – Security Requirements

No comments or questions in this section.

Part 7 – Standing Offer and Resulting Contract Clauses

This section contains two parts: A, speaks to the clauses that are applicable to the Standing Offer as a whole, while B speaks to the clauses specific to each call-up (i.e. the contract).

Regarding Security: please refer to the changes to this section further down in this document.

It is highly recommended to review section 7.3.1 which contains General Conditions that relate to the Standing Offer.

7.4 Term of Standing Offer

Standing offers are issued for a period of 12 months, which is the directive of the National Food and Beverage Strategy. However, there is a provision to extend the standing offers for a period of up to three additional months.

No questions or comments for B. Resulting Contract Clauses

Annex A – Statement for Requirement

A3. Delivery Zones

Zone 2 includes additional delivery spots have been added from the previous Standing Offer due to the onboarding of CSC. The lower mainland covers up to Hope.

The Statement of work includes a provision to cover up to Prince Rupert in Zone 2, as well as Port Hardy in Zone 1. If a supplier isn't able to deliver to these areas, they are not precluded from submitting an offer. This provides option to do additional business in those two areas.

A4. Delivery Service Requirements

Note that individual call ups will outline specific delivery requirements, which will remain within the scope of work. There is a minimum order quantity of \$100: orders less than this amount may be subject to an additional freight charge, which will be reviewed on a case by case basis.

Recycling Fees: if there are recycling fees associated with items, the charges have to be included in the price. (i.e. not shown separately.)

Correctional Services Canada uses a similar system called FSIMs that is a “purchasing/receiving inventory control system”. CSC has a weekly cycle menu which has the same menu on the same day, every week on a national basis. CSC looks for best value when ordering product.

A5. Pricing

1) Price List Updates

With the bid, depending on what category you are bidding on, there are price refresh frequencies that correspond to each food category. For instance, if you are issued a Standing Offer for Protein- Fresh, you are able to submit monthly price refreshes (by the 15th of each month). This price will be compared to the prices submitted by other Standing offer holders for the category. Offerors are awarded line items for that refresh period by offering the lowest price.

Note that for the Bread and Bakery Products category, the price that is submitted within the initial offer remains valid for the entire 12 months of the standing offer. No price refresh will occur.

Eggs and Dairy categories each have a 3 month refresh period, but if major price fluctuations occur in the market between refresh periods, the Standing Offer holder is able to submit a request for a price revision to the standing offer authority. Such requests will be reviewed on a case by case basis.

Annex B

General comments:

Under the column labelled “Requested Description/Specific pack size”: if there isn't a specific pack size listed, then the Offeror is free to propose a pack size. If it is listed, it is mandatory to be provided in that size.

The column labelled “Estimated Annual Usage” can be considered somewhat arbitrary since the usage isn't tied to a specific pack size for the majority of line items.

Many cells are locked so they aren't unnecessarily tampered with.

The cells that have a coloured background are locked and cannot be changed. Cells without a coloured background are for the Offeror to fill out.

The calculation uses three decimal points.

PSPC decided to differentiate the pricing used solely by PSPC for evaluation purposes, and the pricing used by our clients for ordering purposes. This resulted in the creation of the headings “UNIT PRICES FOR EVALUATION” and “ORDERING – Prices and Information”

PSPC will evaluate pricing on a per unit basis, in metric measurement. The offeror, however, is able to provide their pack sizes in imperial or metric units. There is a built-in calculation that will convert the units.

For the example 1 of tofu: number 1.

No specific requested description/specific pack size, so offeror can propose a case size.

If there unit price is 1 x 1 kg of tofu for \$3.67, let's say you sell in 6 units in a case, and each unit weights 1 lb each. The spreadsheet automatically takes the per unit measurement in kilograms, along with the numbers entered under "Number of Units per case" and "Weight or Volume per unit" and the "Item measurement unit" to calculate the Ordering Price. This price is the price the client will see and use, when they go to place call-up.

A conversion factor is automatically calculated the price of 6 lbs of tofu when 1 kg is priced at 3.67 to equal 9.988.

Note that a lot of line items seem like they are duplicates. This is because we have different user needs, such as "best value" (generic) vs. premium/branded. This allows the offeror to propose different sizes, and different qualities of product. Please read descriptions of mandatory criteria.

Annex C: Low Line Items Award Approach example

This is the selection process that PSPSC goes through after we have assessed all the unit prices in all categories. Categories are evaluated independently, because the basis of selection and issuance of up to 3 Standing Offers per category is on a category basis. For instance, what you offer on bread and bakery products, has absolutely no bearing on dairy products.

For each category, each line is evaluated. PSPC determines which offeror provides the lowest unit price of that line item.

After this has been determined, PSPC assesses how best to award the standing offer. There are two approaches: a line item approach or a basket approach. There is an administrative burden associated with both; however, the approach with the least burden is the basket approach since there is only one standing offer issued for the category.

This process will be illustrated through the example provided. The total in the last column shows what the lowest price is across all offerors and all items: \$19,872.50. This number represents the lowest total cost to award by line item.

The totals listed for each of the offerors, firm A, B, and C, is the total of each Offeror by a basket approach.

Note that the lowest of these totals is Firm C with \$21,635.00.

Next, PSPC calculates the administrative savings. This is calculated by lowest line item total ($\$19,872.50 \times 0.05$) = \$993.63. The 5% is what is considered to be a maximum worthwhile administrative burden.

To award by basket, the lowest price must not be any larger than \$20,866.13 (i.e. $\$19,872.50 + \993.63). Since none of the firms have a total basket that is under this amount, the standing offer would be issued on a line item basis.

That said, the Offeror that *has the lowest unit price for the most line items* will be issued a Standing offer for that category. Then, the Offeror with the second lowest unit price for the most line items could also be issued a standing offer for that category. Lastly, the Offeror with the third lowest unit price for the most line items might be issued a standing offer for that category.

No Questions or comments on Annex D or E

Closing comments

II. Questions from Offeror's Conference:

1	Can the user order items that we haven't won on the last refresh period?	The call-up can include up to 25% of the total value of the call-up of miscellaneous items.
2	What is the length of the issued standing offer?	It is 12 months, with the option to extend for an additional three months. Note that there are category-specific refresh periods, according to Annex A.
3	If we can deliver to Port Hardy and prince Rupert, but have to use a third-party carrier, with an additional cost, is there reimbursement?	Yes. Offerors may be entitled to additional delivery charges. Case by case basis.
4	With CSC becoming a new client, are they obligated to use the standing offers?	No user is obligated to use the standing offer at any time. When a Standing offer is issued, there is no commitment from the Crown to buy anything.
5	Does the groceries category include items such as canned or pouched fruit and vegetables?	Yes. Refer to the groceries section within Annex B.
6	We quote on the business for canned fruits and veggies and updated quarterly. Is this a yearly price?	No. Refer to the price refresh periods are in Annex A.
7	If I am issued a standing offer, how do I go about getting an account set up with the user?	PSPC and the user will work with the Offeror to set up account numbers for sites, invoicing guides, etc.
8	Does Unitrak able to differentiate between an "Awarded" item and a "miscellaneous" item?	No. This is done manually.
9	When it comes to price refreshes, are there secondary Offeror awards?	No. Only one price will be published per line item. I.e. there is only a primary Offeror award.
10	Is it up to the Offeror to identify which items we've won regarding invoicing?	No.
11	If we don't win specific items, and the client wants to order them as miscellaneous within a call-up, are we obligated to keep the prices presented in the refresh bid?	No.
12	All Canadian Beef can be difficult to determine. What is the definition?	Beef must be certified as Canadian by the Canadian Food Inspection Agency. Items marked as Australian beef will not be accepted.
13	Q. CSC has a weekly cycle menu: how does this effect their ordering processes?	Typically, CSC will order a week ahead of the current menu. I.e. week 4 order will be placed during week 3.

14	What happens if we bid in catch-weight since we can't sell a catch-weight item by a case price?	The evaluation price will be used for the ordering price for all items marked catch weight. Offerors must specify that the item is catch-weight using the column "Catchweight"
15	Is there a specific place to denote orders that are special order?	Yes. If an item is special order, that should be expressed under "Additional Comments" for the line item.
16	I supply speciality kosher items. Are there kosher items in kosher meals?	No, this Standing Offer does not cover kosher meals, but it does include some kosher items.
17	Price refreshes must be submitted by the 15 th of each month?	Yes. There is a lot of work that PSPC needs to be done in order to publish prices on our intranet. This accounts for the change.
18	How is the form assessed to submit pricing?	On the tender page on buyandsell.gc.ca, it is under "Attachments": https://buyandsell.gc.ca/procurement-data/tender-notice/PW-VIC-254-7603
19	Does the Canadian beef have to be A, AA or AAA?	Refer to the specific mandatory criteria. If there isn't a rating specified, then the product proposed is up to the offeror's discretion.
20	Does an offeror have to bid on a minimum number of items per category?	No, there aren't. However, the way that the selection criteria works is that if Offeror A submit offers on 5 items out of 500, they won't be able to be as competitive as Offeror B who bids on 200 out of 500.
21	Are Lines 5 and 9 the same?	No. See mandatory criteria. One is Canadian beef. The other could be a pork/beef blend, or similar.
22	Are Lines 10 and 12 the same?	No. See mandatory criteria. One is sliced.
23	Are lines 44 and 51 the same?	No. See mandatory criteria. One is Halal.
24	What sizes are required for lines 106, 107, and 108?	Since there aren't specific sizes requested, It is up to offeror to propose sizes. If the offeror is able to cut to size, that should be reflected under "Additional Comments"
25	Are lines 173 and 174 salmon loin the same?	No. See mandatory criteria.
26	What is line 184 ?	It is Pollock fish that is crab-flavoured
27	Are lines 199, 200 and 201 the same?	No. See mandatory criteria.
28	Are lines 266 and 267 a burger (with additives) or patty (no additives)?	It is a burger with beef, seasoning and bread crumbs, etc.

29	Line 273- Beef flat (chuck flat or outside (bottom) flat)?	Outside bottom flat.
30	Why have the Zone 1 (Vancouver Island) estimations decreased from the previous year, and why have Zone 2 (lower mainland) estimations increased?	Regarding Zone 2: there is a new user, Correctional Services Canada (CSC), in the lower mainland. They have several facilities which represents a large increase. Regarding Zone 1: PSPC is trying to provide more accurate figures based on the usage this past year.

PART B. Amend the Solicitation document as follows:

I. Annex B

The following is a summary of the changes to Annex B.

- Panes A through D are no longer frozen, as per offeror request.
- Add column entitled "Catch weight" for Offerors to indicate whether the item is catch weight.

DELETE: it its entirety

INSERT: the amended excel spreadsheet (see separate excel attachment)

All other terms and conditions of the solicitation remain unchanged.