TO: ALL OFFERORS

FROM: NECIA BECK
STATE CONTRACT PROCUREMENT OFFICER

SUBJECT: ADDENDUM TO REQUEST FOR PROPOSAL NO.: GSS20662-PRODUCE

ADDENDUM # 1

The purpose of this addendum is to clarify a section within the Request for Proposal and to answer the questions asked during the question and answer period.

Information regarding the current solicitation can be found online at: http://bids.delaware.gov/bids_detail.asp?i=6298&DOT=N.

CLARIFICATION
Information regarding quarterly price adjustments was inadvertently omitted from the original RFP. Section 17, Price Adjustment is hereby clarified to read as follows:

17. PRICE ADJUSTMENT
The Vendor is not prohibited from offering a price reduction on its services or materiel offered under the contract. The State is not prohibited from requesting a price reduction on those services or materiel during the initial term or any subsequent options that the State may agree to exercise.

Price adjustments will be calculated as follows: Quoted prices can be adjusted on a quarterly basis of the contract term based on the change in value of the U.S. Department of Labor; Bureau of Labor Statistics; Producer Price Index (PPI) (series id: WPU01) for Farm Products.

The method of price adjustment will be to review the most recent non-preliminary index available on the first day of the month immediately preceding the quarterly adjustment.
date. The change in the index rate will determine the change in prices for the contract quarterly period.

The website for the Producer Price Index (PPI) is http://data.bls.gov/cgi-bin/srgate.

The vendor must submit a written request for price increases during the time frame as outlined below for their effectiveness date to the Government Support Services, Attn: Necia Beck, State Contract Procurement Officer.

- For price changes effective December 1, 2020, requests must be submitted between November 1, 2020 through November 15, 2020.
- For price changes effective March 1, 2021, requests must be submitted between February 1, 2021 through February 15, 2021.
- For price changes effective June 1, 2021, requests must be submitted between May 1, 2021 through May 15, 2021.
- For price changes effective September 1, 2021, requests must be submitted between August 1, 2021 through August 15, 2021.
- For price changes effective December 1, 2021, requests must be submitted between November 1, 2021 through November 15, 2021.
- For price changes effective March 1, 2022, requests must be submitted between February 1, 2022 through February 15, 2022.
- For price changes effective June 1, 2022, requests must be submitted between May 1, 2022 through May 15, 2022.
- For price changes effective September 1, 2021, requests must be submitted between August 1, 2021 through August 15, 2021.

Request for price increases must be accompanied by documentation, regardless of the vendors overall increase, price increases will not exceed the PPI stated above. NO price increases are to be billed to the State facilities without prior written approval by Government Support Services. Price increases become effective with all orders placed on or after the effective date. The State of Delaware shall receive full proportionate benefits of price decreases immediately upon their effective date.

When submitting requests for price changes, vendor shall be required to list the Section and State Item Number and complete identification of items requesting change. Vendor shall not delay or stop deliveries pending a price change. Failure to submit required information may result in denial for a price change.

If agreement is reached to extend this contract beyond the initial two year period, above methodology and schedule will carry forward.
QUESTIONS

Q1. We need to see the results of the current contract to determine if we would consider bidding. The term of 3 years may be problematic, due to frequent pricing fluctuations that can occur during the duration.

A1. Information regarding the current contract can be found online at: http://contracts.delaware.gov/contracts_detail.asp?i=4485. Please note initial contract period for the new award is two-years, not three. Information regarding quarterly price adjustments have been addressed above.

Q2. After the initial 3 month fixed term, would weekly pricing updates be allowed to the core list?

A2. Please refer to the beginning of this RFP Addendum for information regarding quarterly price adjustment requests.

Q3. Please provide:
   1) List of Items, Schedule of Requirements, Scope of Work, Terms of Reference, Bill of Materials required.
   2) Soft Copy of the Tender Document through email.
   3) Names of countries that will be eligible to participate in this tender.
   4) Information about the Tendering Procedure and Guidelines
   5) Estimated Budget for this Purchase
   6) Any Extension of Bidding Deadline?
   7) Any Addendum or Pre-Bid meeting Minutes?

A3: All documents associated with the solicitation are available online, for free, at bids.delaware.gov.

All other Terms & Conditions remain the same.