

## Contract No. 211935

### Exhibit C: Specifications, Duties, and Scope of Work

1. **Purpose.** The purpose of this agreement is to contract with a Contractor to provide Fresh Bakery Products to State Government Facilities, State Agencies, and Cooperative Purchasing Venture (CPV) Members (hereinafter referred to as “Customers” or “Ordering Entities”). The contract excludes frozen bakery products. The Contractor will deliver fresh bakery products to each ordering entity within the agreed upon time. There are no minimum orders required. Customers will determine which food products they will order and their delivery schedule. The delivery locations are within the borders of the State of Minnesota.

2. **Background.** Ordering Entities that would be placing orders with the Contractor for Fresh Bakery Products would be categorized as a state facility, health care facility or CPV member. The following provides information about each corresponding Ordering Entity.

2.1 State Facilities. The State of Minnesota owns and operates eleven correctional facilities located within the borders of the State of Minnesota. These correctional facilities are managed by the Minnesota Department of Corrections (DOC) and serve both adults and juveniles, with a daily feeding responsibility for 9,100 incarcerated persons. Some of the State buildings are secure and the Contractor may only access through designated entrances and by admittance by a staff member. A detailed list pertaining to the facilities is found in *Exhibit C, Supplement 1: List of State Correctional Facilities and Other State Economy-Focused Institutions*.

The State of Minnesota also owns and operates other State Facilities that may be interested in purchasing economy-based food such as the Minnesota Academy for the Deaf, the Minnesota Academy for the Blind, and the Perpich Center for the Arts.

2.2 Health Care Facilities. The State of Minnesota owns and operates health care facilities located within the borders of the State of Minnesota. The health care facilities are managed by State agencies, the Minnesota Department of Human Services (DHS) and the Minnesota Department of Veterans Affairs (MDVA). Many federal and state agencies provide oversight to the State’s health care facilities, including, but not limited to, the Centers for Medicare and Medicaid Services (CMS), Minnesota Department of Health (MDH), and the federal Department of Veterans Affairs.

State Health Care Facilities may be long-term care facilities, hospitals, rehabilitation facilities, or treatment facilities. These State health care facilities serve both adults and juveniles and some of the State buildings are secure and the Contractor may only access through designated entrances and by admittance by a staff member. The Department of Human Services (DHS) Minnesota Sex Offender Program (MOSP) treats 733 individuals between its two sites. The Minnesota Department of Veteran’s Affairs (MDVA) services 800 veterans amongst their homes.

Additional information on the State health facilities can be found in *Exhibit C, Supplement 2: List of State Health Care Facilities*.

2.3 CPV Members. This Contract is also available to all Cooperative Purchasing Venture (CPV) Members (<https://www.mmd.admin.state.mn.us/cpv2.htm>) who own and operate correctional and healthcare facilities located within the borders of the State of Minnesota.

3. **Scope of Work.** The Contractor must provide a variety of nutritious fresh bakery products of premium quality to Customers on as needed basis. Once customers determine the items they will include on their standard delivery schedule, stock items will not be permitted to remain out of stock with any frequency or regularity. All product(s) delivered must meet all State and Federal requirements for food products for human consumption. The State reserves the right to request additional items to be added to the Contract to best serve the changing needs of its customers.

4. **Contractor's Required Capabilities.**

4.1 The Contractor must be licensed to do business in the State of Minnesota.

4.2 The Contractor must have at least three (3) years of experience in food service management. The Contractor must comply with all city, state and federal laws and regulations for food service and will be subject to city and State inspections. The Contractor will be solely responsible for any costs associated with such inspections and will be responsible for obtaining any city or state permits required to provide the service as outlined.

4.3 **Contract Management.** The purchasing volume of the State is generated from multiple end-users (Customers) in different locations across the State of Minnesota. The State's expectation is that this Contract will be serviced at a high level, supported by professionals who have deep experience within the food industry. The Contract Vendor shall identify a project team dedicated to this State food contract and structure the roles to efficiently meet each of the required capabilities.

4.3.1 The Contractor must provide a designated account manager dedicated to the service of this State contract that are able to answer questions and resolve problems that arise. The account manager shall be available, at a minimum, 8:00 AM to 4:30 PM Central Time, Monday through Friday, except State Holidays as listed in Section 11.2.2 State Holidays of this Exhibit. All account managers shall have online access to information to provide immediate responses to inquiries concerning the status of orders (shipped or pending), delivery information, back-order information, State-wide contract pricing, contracted product offerings/exclusions, billing questions or issues, contract compliance requirements, and general product information. Account Managers shall be available by phone (via local or toll-free number) or email.

4.4 **Product Availability.** All items offered by the Contractor must be available for ordering at the time of contract award and throughout the life of the Contract unless discontinued by the manufacturer. Changes to the products awarded, or product specifications cannot be made without prior written approval from the Office of State Procurement (OSP) Acquisitions Management Specialist (AMS). Products requiring a special-order process should be delivered within ten (10) business days of request, and when usage exceeds one (1) case per week should no longer be considered special order and be stocked appropriately at Contractor's warehouse.

4.5 **Backorders.** Repeated back-ordering may be cause for Contract cancellation. The Contractor must maintain a monthly State Agency average Fill Rate of 98% or better per location. Orders not filled and partials shall be indicated on the packing slip. The packing slip or other written correspondence with the end user shall indicate the availability date of non-filled and partial orders. Should the Contractor fail to meet the agreed-upon delivery schedule, making it necessary for a State Agency to purchase urgently needed items from another source, the Contractor, upon notice from the Acquisitions Management Specialist (AMS), shall be required to pay the difference between the Contract price and the Customer's purchase price. If the Fill Rate falls below 98% for three (3) consecutive months and the Contractor fails to

provide an explanation for the reduction which is satisfactory to the State, the State may cancel the Contract with a 30-day written notice to the Contractor.

- 4.6 **Cancellation and Transition of Products.** The Contractor shall communicate discontinuation and changes to manufacturer or packaging of products to the Ordering Entity and work with the Ordering Entity to identify and implement alternative options that shall maintain quality or other requirements at the same or reduced costs. The Contractor must provide notification to Customers of products that are discontinued or if the Contractor is unable to receive the product from a supplier in advance or prior to delivery. The Contractor will provide, upon request, reports displaying cancelled products and suggested replacements.
- 4.7 **Operating Support and Training.** Contractor must provide training as necessary, at no additional cost to the State of Minnesota and Cooperative Purchasing Venture (CPV) members, on all aspects of ordering, website tools, delivery, return, and customer service processes.
- 4.8 **Excellent Cost Containment.** The Contractor will be required to proactively work with all Customers (State Agencies and Cooperative Purchasing Venture members) with regard to effective cost containment to meet their budget and service goal needs. The ability to offer Customers effective cost containment is essential to meet the Customer's menu planning and dietary needs of clients residing in the State's correctional facilities and other economy-based institutions.
- 4.9 **Product Quality.** The Contractor must guarantee that all food products meet Food and Drug Administration (FDA), United States Department of Agriculture (USDA), United States Department of Commerce (USDC) requirements and standards.
- 4.10 The Contractor will follow *Nutritional Quality Guidelines* for Foods Title 21 Code of Federal Regulations, Part 104 found at: <https://www.ecfr.gov/current/title-21/chapter-I/subchapter-B/part-104>
- 4.11 When applicable to the items provided, the Contractor will follow guidelines for *Food for Special Dietary Use* as described in Title 21 Code of Federal Regulations, Part 105 found at: <https://www.ecfr.gov/current/title-21/chapter-I/subchapter-B/part-105>
- 4.11.1 All products must be fresh and in good condition.
- 4.11.2 Product must be received at temperatures that meet Hazard Analysis and Critical Control Point (HACCP) requirements.
- 4.11.3 No substitution of guaranteed brands will be allowed without prior approval of the Ordering Entity.
- 4.11.4 Packages must be clearly marked with the expiration date or use-by date.
- 4.11.5 Spoiled, damaged, soiled or exposed nonperishable food received will be returned for full credit at no expense to the Customer. Foods that are past a quality date or show signs of inferior quality, that have not been pre-approved by the Customer, will not be accepted.
- 4.12 **Permits, Licenses and Health Code Compliance.** The Contractor must comply with all health, safety and other applicable laws, statutes, ordinances and regulations of federal, State, county and city agencies or departments having jurisdiction over the operations controlled by this Contract.

4.13 The Contractor is solely responsible, at their cost, for obtaining and maintaining all required permits, licenses, Health Department certificates, registrations and submittals required to comply with pertinent State regulations, and city, county, State and federal laws.

5. **Product Specifications.** The Contractor shall consistently produce and deliver high quality, good tasting, and nutritious food that is safe for consumption. Food covered in this contract includes fresh, bakery items, including specialized dietary bakery products as requested (examples: kosher items, Halal items, and fresh bakery items related to food allergies such as gluten-free, dairy-free, soy-free, etc.)

5.1 Product deemed by the Customer as inferior in quality can be refused by the Ordering Entity for a full refund. In lieu of refund, the Customer can request the same order to be delivered withing the next 24 hours. At no time should the Contractor attempt to deliver food that is out of date or deemed unsafe for consumption.

5.2 **Fresh Bakery Items Shelf Life.** The Contractor will deliver orders with the longest shelf life available. Close dated products should not be delivered unless prior permission has been granted by the Ordering Entity. The Contractor will notify the Customer the exact expiration date and if approval to deliver the closed dated product has been granted, the customer should receive such products at a discount or received a replacement in the next 24 hours.

5.3 **Product Substitutions.** Product substitutions are not allowed unless inventory of the item ordered is out and the Contractor receives prior written approval from the Customer. Every attempt should be made by the Contractor to offer an item of comparable quality and cost. The Contractor must provide detailed specifications and nutritional information for any item that is being substituted to the Customer. The State reserves the right at any time during the life of the Contract to request samples of proposed substituted products to determine if the quality meets or exceeds the original product as determined by the State.

5.4 **All-Year Round Product Availability.** State health care facilities as well as State correctional facilities require consistency in items availability all year round. In the event of known upcoming shortages, the Contractor will provide a 14-calendar day notice to the customers. The Contractor will make an effort to ensure all items on the Price Schedule are available year-round. Any changes to the items' availability due to circumstances outside of Contractor's control will be communicated to the customers as soon as the information becomes known to the Contractor.

5.5 **Dietary Product Specifications.**

5.5.1 A minimum of one whole grain item per the following categories:

5.5.2 muffins

5.5.3 bread

5.5.4 bagels

5.5.5 dinner rolls

5.5.6 hamburger buns

5.5.7 hotdog buns/hoagie buns

5.6 **Flexibility.** The Contractor shall be flexible in responding to the needs, trends and patterns in menu format variety based on customer preferences and sales volume, with a goal of increasing sales of healthier options. If available, the Contractor will offer a newsletter publication providing information about seasonal product notifications and general product updates.

5.7 **Wellness Program.** The Contractor will produce and procure nutritious food options that meet the National U.S. Food and Drug Administration (FDA) Guidelines as referenced in the U.S.D.A. Dietary Guidelines for Americans <https://www.dietaryguidelines.gov/resources/2020-2025-dietary-guidelines-online-materials>

5.8 **HACCP Principles & Application Guidelines.** The National Advisory Committee on Microbiological Criteria for Foods (NACMCF) is an advisory committee chartered under the U.S. Department of Agriculture (USDA) and comprised of participants from the USDA (Food Safety and Inspection Service), Department of Health and Human Services (U.S. Food and Drug Administration and the Centers for Disease Control and Prevention) the Department of Commerce (National Marine Fisheries Service), the Department of Defense (Office of the Army Surgeon General), academia, industry and state employees. NACMCF provides guidance and recommendations to the Secretary of Agriculture and the Secretary of Health and Human Services regarding the microbiological safety of foods. The Contractor should adhere to the applicable guidelines found at: <https://www.fda.gov/food/hazard-analysis-critical-control-point-haccp/haccp-principles-application-guidelines>

6. **Product Recall.** The Contractor must have a product recall notification program that is electronically issued to the participating agencies.

7. **Price /Order Guide Requirements.**

7.1 **Contractor's ordering website needs to be accessible in accordance with the [State of Minnesota Digital Accessibility Standard](#).**

7.2 The Contractor must provide an organized Price/Order Guide to each Customer. The Price/Order Guide must be available both in hard copy format and in an E-commerce web-based format at no charge. Each Customer will determine which format to use for ordering. A Contractor's customer service representative must be available by phone for assistance with any issues related to order placement or product information.

7.2.1 Price/Order Guide Hard copy. The hard copy of the Price/Order Guide must include a guide specifying line-item number, item detail, item number, pack count/size, brief description, unit of measure (pk, case, etc.,) and the unit of measure price.

7.2.2 Price/Order Guide E-commerce site. The E-commerce web-based Price/Order Guide must include, at a minimum:

7.2.2.1 Order entry system that is password protected by Customer name and authorized representative.

7.2.2.2 Weekly order guide specifying line-item number, catalog number, pack count/size, brief description, unit of measure (box, bag, pound, case, etc.) and the unit of measure price.

7.2.2.3 Capability to view a more detailed screen for a complete description of the item/product.

7.2.2.5 Ability to create, modify, view and print order.7.2.2.7 Ability for Customer to view previous orders for up to 2 prior weeks.

7.2.2.8 Ability for the Customer to establish an order for commonly used items that can be repeated weekly without re-entering each time.

7.2.2.9 The system must be able to provide immediate feedback on product availability.

7.2.2.10 The system must offer an option download and to print the orders placed.

7.2.2.11 The system should offer an option to download and print reporting to assist Customers with inventory and cost analysis of related food programs.

7.2.3 If the Contractor's E-commerce web-based Price/Order Guide is used, the Contractor must provide any required software and the initial training at each Customer's location. Training must include how to use all system alternatives available for ordering from the Contractor at no charge to the State. A Contractor representative must be available by phone for order entry assistance or Price/Order Guide update assistance.

7.2.4 The Contractor must provide, at no charge, complete nutritional analysis data on all stock items and prior to new item availability. The nutritional analysis must be provided through the Contractor's E-commerce web-based Price/Order Guide or by other electronic means.

7.2.5 **Order Discrepancy Notification.** When known, the Contractor will notify the Customer of any discrepancies between the expected products and quantities to be shipped and what products and quantities have actually been picked for delivery. The notification will allow the Customer the option to add to its order or accept a substitute that could become a part of the original order delivery.

8. **Health and Other Code Violations.** The Contractor shall immediately report to the State any violations occurring in their facilities. The State reserves the right to immediately cancel the Contract upon written notice if the Contractor fails to perform or remediate a situation that endangers public health and safety. Upon completion of any inspection, the Contractor will provide a copy of the results of the inspection to the CAR. The Contractor will be solely responsible for compliance and in implementing corrective action as it relates to the service provided to the Contractor under the terms of the Contract.

9. **Inspections.** The State shall have the right to access and inspect all food preparation, storage and service areas occupied by the Contractor under the terms of this Contract. The State may make periodic, inspections of the facilities used to manufacture, store and/or package the fresh bakery items, independent of the authorized health departments having jurisdiction. The State sanitation inspections may be done at any time. The State reserves the right to inspect the facility during the operating hours.

10. **Delivery Requirements.** All deliveries must be made to each Customer's loading dock unless otherwise requested by an Ordering entity.

10.1 **Special Delivery and Product Rotation.** Some facilities, including Department of Human Services (DHS) and Minnesota Department of Veteran Affairs (MDVA) require the Contractor to unload the product and place it in designated shelving/rack area. The Contractor must assure that the existing product already on

site and the newly delivered product is rotated correctly to allow for the closest to expiration date bakery items to be ready to use first.

- 10.2 **Delivery Dates and Times.** Contractor must be able to receive Customer orders and deliver within 7 days. No deliveries will be made on Wednesdays or Sundays. The Contractor must discuss order deadlines with each Customer to ensure compliance with meeting expected delivery dates and time.
- 10.3 **Lead Times and Scheduled Deliveries.** Standard lead time and scheduled deliveries will vary between Customers. "Scheduled Deliveries" are defined as set days during the week that the Contractor and the Customer have mutually agreed to. The Contractor must work with the Customer on delivery dates, days, times, and locations. The final delivery schedule will be agreed upon by both parties. If the Customer needs to change their delivery schedule during the term of the Contract, the Contract Vendor must comply with the change.
- 10.3.1 **Scheduled Delivery Changes.** The Contractor may negotiate a schedule change that is agreeable with the Customer. The Contractor must not change a scheduled delivery without providing a written fourteen (14) calendar day notice of intent to change the schedule and receiving authorization from the Customer's authorized representative approving the change.
- 10.3.2 **State Holidays.** State holidays include New Year's Day, Martin Luther King Jr. Day, Presidents' Day, Memorial Day, Juneteenth, Independence Day, Labor Day, Veterans Day, Thanksgiving, day after Thanksgiving, and Christmas. (Columbus Day is a Federal Holiday but is a working day for the State.) Some Customers accept deliveries on State holidays, some do not. Holiday deliveries must be coordinated with the Customer's authorized representative. If the Contractor's policy is not to make deliveries on holidays, the Contractor must notify the Customer's authorized representative three (3) weeks before the holiday and must have approval from the Customer's authorized representative on any substitute holiday delivery schedule. The Contractor will need to verify holidays for Cooperative Purchasing Venture (CPV) members customers.
- 10.4 **Invoices, Packaging Slips.** At the time of delivery, the Contractor must provide each Customer with invoices and/or packing slips detailing the order quantities.
- 10.5 **Order Verification and Corrections.** The Contractor's delivery driver must remain on site until the order is verified and signed for by the Customer's authorized representative.
- 10.5.1 **Order Corrections.** The Contractor's delivery driver must be able to issue a credit statement to the Customer's authorized representative for short-ships, over-shipped quantities that were invoiced, wrong-ships, spoiled products, short-dated products, expired or damaged products. The Contractor must process credit to the Customer's account and/or promptly replace product to the Customer at no charge. Credit to the Customer's account or prompt replacement of product to the Customer's satisfaction, must be carried out. The time frame for replacing product quantities will be at the sole discretion of the Customer.
- 10.6 **Delivery to Correctional Facilities.** The State operated correctional facilities serve both adults and juveniles. Some of the State buildings are secure and upon request, the Contractor must accommodate security requirements when making deliveries to any State of Minnesota Correctional Facilities (MCF) and any other State Government Agency that requests it.

10.6.1 The Contractor will comply with State Correctional Facility security requirements when making deliveries. Minnesota Correctional Facilities are located at Stillwater, Oak Park Heights, Lino Lakes, Shakopee, Faribault, Red Wing, St. Cloud, Moose Lake-Willow River, Rush City.

11.6.1.1 Delivery confirmation. The Contractor must confirm the delivery time and date with the Customer's authorized representative to ensure that staff is available to admit entry to the delivery location.

11.6.1.2 Security Gate. All trucks must stop at the Security Gate.

11.6.1.3 Vehicle Dimensions. Vehicle length must not exceed sixty-four (64) feet, bumper to bumper.

11.6.1.4 Identification. The driver must provide a valid driver's license and must obtain a pass from the Security Gate officer and returned upon exit.

11.6.1.5 Contraband. All trucks are subject to search and any contraband will be confiscated and returned after the delivery is made. Drugs, alcohol, tobacco products and weapons must not enter the facility. Vehicles arriving with these items will not be allowed to enter. Items such as knives, files and saw blades need to be turned in to the facility officer before entering the facility.

10.6.2 Drivers must be authorized for admittance into the secured perimeter gate of State of Minnesota Correctional Facilities (MCF). The Contractor is responsible for providing the information needed by the Department of Corrections (DOC) to conduct the required background checks on all drivers, including ride-along trainees and replacement drivers, on an annual and as-needed basis as specified in Exhibit A, Section 36: Background Security Compliance.

10.6.3 To prevent delays and turn away drivers who have not been authorized for admittance, the Department of Corrections requires a minimum of a three (3) days' notice to conduct the background check on all drivers, including ride-along trainees and replacement drivers sent to the facility. Failure to notify the DOC facilities within the required time will result in the driver not being admitted and turned back.

10.6.4 Correctional facilities may require plastic-only pallets, not wood, to support safety within the secured facility.

10.6.5 **Special Background Security Compliance for State of Minnesota Correctional Facilities (MCF) and any other State Government Agency that requests it.**

Prior to the performance of any work under this Contract and to ensure the safety and security of all employees, data, customers, and assets, Contractor shall conduct a new Background Check on all individual(s) selected for work under this contract prior to each individual working on-site, whether an employee or subcontractor. The selected individual(s) shall be required to complete and submit any required consent forms. Contractor shall be responsible for the review and evaluation of Background Check results, in compliance with all State and Federal laws. Costs related to Background Checks conducted by Contractor shall be the sole responsibility of Contractor. At a minimum, a Background check must include:



10.6.5.1 Criminal History Check (Including, but not limited to, County or State, State of Minnesota Bureau of Criminal Apprehension, and the National Sex Offender Registry.);

10.6.5.2 Social Security Number and Address Verification;

10.6.5.3 FBI Identity History Summary Check; and

10.6.5.4 Other legally required checks (drug tests, Mantoux tests, fingerprints, tax records, etc.).

10.7 **Equipment for Deliveries.** Not all locations requiring deliveries have loading docks for large trucks to make deliveries. Some locations will require delivery trucks to be unloaded by the driver with a two-wheel hand truck, pallet jack or other equipment necessary to make deliveries to various types of locations. Responders must have the various types of trucks and equipment to make all types of deliveries.

10.7.1 Note that most large State facilities do have pallet/dock capabilities and most large Cooperative Purchasing Venture (CPV) member locations. Smaller facilities listed in *Exhibit C, Supplement 1: List of State Correctional Facilities and Other State Economy-Focused Institutions* such as the Academy for the Deaf and Blind do not have pallet/dock capabilities. The Contractor will need to work with each State Agency or CPV member location to establish delivery location requirements including equipment needed and where deliveries should be made within the location.

10.8 For Minnesota Department of Corrections (DOC) facilities, please note these facilities do not have specific handling requirements for products such as putting stock away or having products rotated by manufacturer date. For DOC facilities the requirement for delivery drivers is to remove the product from the delivery vehicle to a designated staging area to be checked for accuracy and condition.

## 11. Manufacturing Requirements.

11.1 The Contractor must adhere to Title 21 of the Code of Federal Regulations, which include, but are not limited to:

11.1.1 Part 117 - *Current Good Manufacturing Practice, Hazard Analysis, And Risk-Based Preventive Controls for Human* located at: <https://www.ecfr.gov/current/title-21/chapter-I/subchapter-B/part-117>

11.1.2 Part 101 - *Current Manufacturing Practice in Manufacturing, Packing, or Holding Human Food* found at: <https://www.ecfr.gov/current/title-21/chapter-I/subchapter-B/part-110>,

11.1.3 Part 111- *Current Manufacturing Practice in Manufacturing, Packaging, Labeling, or Holding Operations for Dietary Supplements* located at <https://www.ecfr.gov/current/title-21/chapter-I/subchapter-B/part-111>.

11.1.4 These regulations apply to all food manufacturing and wholesale distribution operations in Minnesota with a purpose of bringing consistency to industries working across state lines and with the US Food and Drug Administration. More detailed information about this regulation can be found in Understanding the Current Good Manufacturing Practice, Hazard Analysis and Risk-Based Preventative Controls for Human Food fact sheet. The Food Safety Modernization Act

(FSMA) web page, with the following hyperlink [Food Safety Modernization Act](#), or (<https://www.mda.state.mn.us/food-feed/food-safety-modernization-act-fsma>) provides information about additional regulations.

**12. Labeling and Packaging Requirements.** In the United States eight (8) foods account for 90% of all food allergies: milk, eggs, peanuts, tree nuts, wheat, soy, fish and crustacean shellfish. Federal regulations require that food products containing any of these 8 ingredients (or their allergenic proteins) must declare on the package or label which allergens are present using common names. Undeclared allergens are the most common cause of food recalls in the United States, often due to packaging/labeling errors.

12.1 The Contractor must adhere to Title 21 of Code of Federal Regulations, which include all requirements for Food Labeling, including Specific Nutrition Labeling Requirements. The requirements are listed at: <https://www.ecfr.gov/current/title-21/chapter-I/subchapter-B/part-101>

12.2 The Contractor will must meet all the labeling requirements concerning food allergens as listed at: <https://www.mda.state.mn.us/food-feed/food-ingredients-may-cause-allergies>.

13. The Contractor shall comply with the FDA Labeling Requirements to provide point of purchase and other nutrition information about the items offered. A summary of these regulations can be found at: <https://www.fda.gov/food/food-labeling-nutrition/menu-and-vending-machine-labeling>.

**14. Shipping Requirements.** The contractor must follow all applicable packaging regulations and practices listed in Title 21 of Code of Federal Regulations.

14.1 The product will be delivered in bread trays. All items will be individually wrapped in accordance with FDA regulations.