



CITY OF HOUSTON

Administration and Regulatory Affairs Department
Strategic Purchasing Division

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Mayor

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Date: May 10, 2011

Subject: Letter of Clarification No. 1
Feed, Dry Animal for the Police Department

Reference: Invitation to Bid (ITB) No.: S40-S23775

To All Prospective Bidders:

This Letter of Clarification is issued for the following reasons:

- To revise the above referenced solicitation as follows:
 1. **To extend the bid opening date from May 12, 2011 to May 19, 2011.**
 2. At the City's Electronic Website, Group 1, Item Nos. 1 and 2, have been **changed**.
 3. In Sections A and B, **replace** "pages 2, 4 and 5 with the attached pages 2, 4 and 5 marked revised May 9, 2011".
- To answer the following questions:
 1. Question: "Is analysis of the hay required with each delivery?"

Answer: *"No. Hay analysis should be provided with the first delivery. Subsequently, the supplier should notify the Police Department what region(s) and area(s) hay is grown and delivered from."*
 2. Question: "What is the requirement for hay regarding dust, mold, mildew, blister beetles and vermin?"

Answer: *"Hay (alfalfa and coastal) must be dust, mold, mildew, blister beetle and vermin free."*
 3. Question: "May large delivery vehicles, such as 18-wheelers, be used to deliver hay and feed to the 5005 Little York site?"

Answer: *"Yes."*

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4. Question: "Will the department accept an "or equal" or better product for dry dog feeds?"

Answer: *"Yes, upon veterinarian and department approval."*

5. Question: "With the unprecedented, unstable and volatile feed prices in the market place, how flexible will the City be toward price adjustments?"

Answer: *"Please refer to and follow the revised price adjustment terms attached with this letter of clarification." (Section B – Article 5.3.1)*

- Due to the aforementioned change(s) to the e-bidding items you may need to edit your bid. To do so, please select the "Bid Number" and proceed accordingly.

This Letter of Clarification will be considered part of the solicitation referenced on the first page of this document.

Furthermore, it is the responsibility of each bidder to obtain any previous Letter(s) of Clarification associated with this solicitation.



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SECTION A.



FEED, DRY ANIMAL FOR THE POLICE DEPARTMENT BID INVITATION NO. S40-S23775

Honorable Mayor and City Council Members:

The undersigned hereby proposes to furnish and deliver feed, dry animal **FOB destination point as listed on the electronic bid form and on the individual Purchase Orders**, in accordance with the Net Prices and other conditions shown herein, and in accordance with the City's Specifications and General Terms and Condition Specifications. When issued, Letters of Clarification shall automatically become part of this bid document and shall supersede any previous specifications or provisions in conflict with the Letters of Clarification. It is the responsibility of the bidder to ensure that it has obtained such letters. By submitting a bid on this project, bidder shall be deemed to have received all Letters of Clarification and to have incorporated them into its bid. THE MANUFACTURER'S NAME, PRODUCT NAME AND PRODUCT NUMBER MUST BE DESIGNATED IN THE SPACE PROVIDED IF BIDDERS ARE BIDDING AN "OR EQUAL" ITEM.

The City may accept this bid offer by issuance of a Notice of Award Letter and/or a Purchase Order covering award of said bid to this Bidder at any time on or before the 120th day following the day this Official Bid Form is opened by the City. This offer shall be irrevocable for 120 days after the bid opening or for 90 days after City Council awards the bid, whichever comes last, but this period may be extended by written agreement of the parties.

The City of Houston reserves the option, after bids are opened, to increase or decrease the quantities listed, subject to the availability of funds, and/or make award by line item.

BIDDING AND AWARD:

It is the intent of the City to award, on the basis of overall low net bid meeting specifications for the entire award; however, the right is reserved to accept or reject in whole or in part any or all bids received and to make an award on the basis of individual item, combination of items or overall best bid, as it is deemed in the best interest of the City.

THIS IS A TWELVE (12) MONTH AWARD WITH FOUR (4) TWELVE (12) MONTH RENEWAL OPTIONS FOR A TOTAL SIXTY (60) MONTH TERM

FIRM PRICES ARE TO BE QUOTED FOR THE FIRST THREE (3) MONTH PERIOD

SPECIAL BIDDERS NOTE:

These bid documents are to be bid exactly as published or amended by any letter(s) of clarification that may be issued pertaining thereto.

LINE ITEM BIDS:

Only one item may be bid for each referenced line item. To bid the referenced line item and an alternate, bidder must submit a separate bid form for each alternate item(s) with its own original signature page. Multiple bids for the same line item on one bid form will be just cause to reject a bid from further consideration.

TECHNICAL SPECIFICATIONS FOR DRY ANIMAL FEED FOR THE POLICE DEPARTMENT, (CONTINUED):

5.0 PRICE ADJUSTMENT (CONTINUED):

5.2 Price Decreases:

- 5.2.1 If the Supplier's Direct Cost **decreases** at any time during the full term of this award, Supplier shall **immediately** pass the decrease on to the City and lower its prices by the amount of the decrease in Direct Cost.
- 5.2.2 Supplier shall notify the City Purchasing Agent of price decreases in the same way as for price increases set out below. The price decrease shall become effective upon City Purchasing Agent's receipt of Supplier's notice.

5.3 Price Increases:

- 5.3.1 Suppliers may request a price increase after three (3) months from the bid opening date of the bid received by the City Secretary of the City of Houston. Subsequent price increases may be requested three (3) months from the date of the previous approved price increase. The amount of the first increase shall not exceed actual documented increase in Supplier's Direct Cost and shall not ever be more than **10%** above the previous bid price. The amount of the subsequent price increase shall also not exceed this percentage.
- 5.3.2 To request a price increase, Supplier must submit a letter setting the amount of the increase, along with an itemized list of any increased prices, showing the Supplier's current price, revised price, the actual dollar difference and the percentage of the price increase by line item. Documentation from the Supplier's supplier(s) showing the actual dollar increase/decrease to the Supplier must accompany this request. Such documentation from the Supplier's supplier must clearly show the dollar increase incurred by the Supplier on the applicable solicitation per item bid. The letter and documentation shall be sent to the following address:

**City Purchasing Agent
City of Houston
P.O. Box 1562
Houston, Texas 77251**

- 5.3.3 If the City Purchasing Agent approves the price increase, he or she shall notify Supplier in writing; no price increase will be effective until Supplier receives this notice. If the City Purchasing Agent does not approve Supplier's price increase, Supplier may terminate its performance upon **sixty (60) days** advance written notice to the City Purchasing Agent. Termination of performance is Supplier's only remedy if the City Purchasing Agent does not approve the price increase.
- 5.3.4 If, at any time after approving a price increase, the City Purchasing Agent determines that the City can obtain the same item at a lower price from a different source without violating the State bid laws, the City may then purchase the item from the lower price source without any obligation to the Supplier.