

DALLAS COUNTY PURCHASING DEPARTMENT

Records Building, 500 Elm Street, Suite 5500 Dallas, Texas 75202

Michael Frosch Purchasing Director

May 16, 2025

ADDENDUM #4 2025-022-7047 PURCHASE OF FOOD ITEMS

Whereas,

Answers to questions are as follows,

Question 1:

Question: Bid Pricing / availability

This solicitation is for food items over multiple years. You're likely aware that food prices/supply chain issues have been prominent. Are there any remedies/adjustments provisions in the future if the costs for certain items have drastically increased and the vendor can present their situation on case-by-case basis?

Answer 1:

The statement in Section XII. Bid Pricing, on page 8, is hereby struck and replaced with the following: In the event that there is a change in the cost of food products during the term of the contract due to fluctuations in the Consumer Price Index (CPI), the contractor may request a price adjustment as outlined below:

1. Basis for Price Escalation:

The price of food products shall be adjusted based on changes in the Consumer Price Index for All Urban Consumers (CPI-U), U.S. City Average, All Items, Not Seasonally Adjusted, published by the U.S. Bureau of Labor Statistics (BLS). The index value to be used will be the most recent CPI data available at the time the price adjustment is requested.

2. Adjustment Frequency:

Price adjustments may be requested once every bi-annually, based on the most recent available CPI data for the prior 3-month period.

3. Calculation of Price Adjustment:

The price adjustment shall be calculated as follows:

The price adjustment percentage will be determined by the percentage change in the CPI between the base period (the CPI for the month of the contract award) and the current period (the most recent CPI available at the time of adjustment).

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- If the CPI has increased by more than 5% from the base period, the contractor may request a price increase up to 5%, not exceeding 25% for the term of the contract.
- If the CPI has decreased, the contractor shall reduce the price of food products by the corresponding percentage decrease in the CPI.

4. Request for Price Adjustment:

To request a price escalation, the contractor must provide written notice to the Dallas County Purchasing Department at least 30 days prior to the proposed effective date of the price adjustment. The notice must include the following documentation:

- A copy of the most recent CPI data from the Bureau of Labor Statistics.
- o A calculation of the price adjustment based on the CPI change.

5. Approval and Implementation:

The County reserves the right to approve or deny any price adjustment request. Any approved price adjustment shall be effective no earlier than 30 days after the County's written approval.

6. Limitations:

- The total price increase due to CPI adjustments shall not exceed 5% per year of the original contract price.
- Price adjustments shall only apply to the food products identified in the original bid and approved by the County.

7. Final Price Determination:

After the price adjustment is approved, the revised price shall become the new contract price for the remaining duration of the contract.

Whereas.

All other specifications of the original bid remain the same.

Except as provided herein/above, all other specification requirements of the original solicitation referenced shall remain unchanged in full force and effect. This addendum should be signed and returned with your Solicitation package on or before 5/15/2025, @ 2:00PM (CST).