

UCSC SOLE SOURCE JUSTIFICATION FORM FOR PURCHASES >\$50,000

FOR PURCHASES BASED ON SOLE SOURCE,
UNIQUE OR PROPRIETARY PRODUCT OR SERVICE BASIS

General Policy

It is the policy of the University to meet its need for goods and services at the lowest overall cost, while affording the maximum opportunity practicable to those who wish to become suppliers to the University. (University of California *Business and Finance Bulletin* 43, dated March 15, 1994.)

Purchasing Requirements

Orders *under \$50,000* shall be awarded consistent with the UCSC General Purchasing Policy.

Purchases *over \$50,000* are mandated by California Public Contract Code Section 10507, et seq. to be awarded to the lowest responsive, responsible bidder based on formal quotation, unless it is determined by the Materiel Manager that:

1. only one supplier sells a product or service that will properly meet the needs of the University within the time available (usually applicable to emergency and other situations which preclude conventional planning and processing),
2. only one supplier sells a product or service that will properly meet the needs of the University because the item or service is unique,
3. only one supplier sells a product or service that will properly meet the needs of the University because it is necessary for the item or service to match others used in a particular location, or
4. only one supplier has the exclusive right to manufacture and sell a product or service and that product or service is the only one that will properly meet the needs of the University.

Purchase contracts shall be entered into only after it has been determined by the Purchasing Office that the prices to be paid are reasonable.

Procedure -

All requisitions requesting purchase on a "sole source" basis must be accompanied by a completed "Sole Source Justification" with sufficient time for the Purchasing Office to review the materials, evaluate the technical information, and determine that the product or service is unique or proprietary. All sections of the justification questionnaire must be completed before an adequate review can be made.

The requestor is expected to provide 1) sufficient information on what else is available in the market place to permit reasonable consideration of alternatives and 2) documentation which will withstand the scrutiny of internal and external audits and the inquiry of suppliers of similar products or services judged to be unacceptable for the current purchase.

Authorization

All sole source justifications must be authorized in writing by the unit's Principal Officer (Assistant Vice Chancellor, Associate Vice Chancellor, Dean, Director).

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*Please attach additional sheets if more than one product or service
or if required for adequate explanation*

1. *Product or service to be purchased:*
Organic, local, produce from sustainably operated businesses.

2. *Briefly explain what this product or service does:*
The produce purchased through this agreement will provide for the needs of University Dining Services in two areas; a special salad/side section (titled Local, Organic and Sustainable) of each of the five dining halls and for the needs of a newly acquired UDS venue (the UCEN,) whose new menu and theme will be 'Local Organic'.

3. *Briefly explain your research or operation:*
CUHS/University Dining Services program includes five residential dining facilities accomodating over 6,000 meal plan residents, a Retail Division operating two cafes and four coffee kiosks, and a Catering Division which includes the newly acquired University Center.

4. *Briefly explain how the product or service will be used in accomplishing your research or operational goals:*
University Dining Service's goals (as they pertain to these purchases) are:
* to meet or exceed the targeted percentages of locally grown, organic produce as agreed upon between UDS Management and the Food Systems Working Group (FSWG-a sub-committee of the Chancellor's Sustainability Action Council), and (when possible) to align with the FSWG guidelines of local, seasonal, direct purchasing from sustainably operated businesses/farms. (sustainability criteria and definitions, provided on RFQ for Organic Produce, July 20, 2005 and is attached).
* to support the programs and field research of the UCSC Center for Agroecology and Sustainable Food Systems (CASFS). University Dining Services works in collaboration w/ the FSWG and the CASFS, to develop and achieve purchasing goals that support the buying of healthier, more sustainably grown food products and (when possible) to support field research through these targeted purchases.The formation and utilization of this cooperative provides commitment by all members of MBOFC to work with the Center for Agroecology and provide a single point of contact for their research projects. This will enhance the already existing research relationships and simplify the processes that are now in place, while providing University Dining Services with direct access to produce that meets all of the goals/guidelines as proposed by the FSWG. In addition, MBOFC is willing to grow crops, specifically for UCSC.
* to improve the quality, safety, and nutritional value of the produce served in our facilities, by offering produce grown in soil that is not chemically treated and products that are free of pesticides. Freshness, as related to nutritional value and taste, is achieved by reducing the 'field to table' time through direct purchasing and the distance the product travels.
* supports purchasing goals relating to small, local businesses

5. *Manufacturer or vendor of proposed purchase.* Include company name and name of specific sales contact, including approximate date of contact. Attach any written quotation provided:
Alba Organics/ MBOFC
P.O. Box 6264
Salinas, Ca. 93912 Sales Contact: Dina Izzo (831)) 758-5958

6. *Indicate if the product or service has been purchased for this campus in the past and indicate:* department purchased for, approximate date of purchase, and purchase order number of purchase if known:
Fresh produce (from these farmers) was brought in for a tasting and presentation by Community Alliance of Family Farmers(CAFF), at no charge. Produce was used from these vendors for two College Nights in the month of April whose themes were local, organic, sustainable. These purchases were made from the individual farmers who are now part of the collaborative. The bills were small and were paid on a P.A..Insurance is on file for the farmers who participated.

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7. *Indicate if you know if the product or service was purchased on any other University of California campus that we might contact for shared information. Please indicate as much detailed information that you can provide, including specific contacts, if possible:*
This collaborative business entity is newly formed and, to our knowledge, has not served any other UC campus. Alba Organics currently serves Stanford University, Sutter Maternity, Dominican Hospital and various retail businesses. Each can provide references.
8. *List the specific salient features or specific performance specifications or parameters that make this product or service unique or proprietary, AND indicate specifically why these unique features are indispensable to your research or operation:*
As referenced in the responses to question #4, MBOFC offers University Dining Services an opportunity to meet all of their targeted goals for this type of purchase; specifically, organic, locally sourced and sustainably produced, research supportive, and a direct purchasing connection. (Sustainability criteria is found on page seven of RFQ for Organic Produce)
9. *List other suppliers generally believed to offer the same or very similar product or service. Indicate if they were contacted for a description and/or price of their product or service. If they were not contacted, indicate why they were omitted. Indicate specifically why their product or service is judged to be unacceptable:*
- a) NOTE: The vendors, listed below, are not direct purchases, cannot support the research relationship, and cannot grow crops specifically for UCSC.
**America Fresh -Dining Services has been in contact with Amercia Fresh over the last six months and is in possession of their literature. Of all vendors, they are the closest to meeting the requirements for these purchases, however, they are lacking in the areas listed above.
 - b) **Ledyard Company - They are our Prime Vendor and are currently supplying us with conventional produce and 3-4 organic items. The lead time, availability, and quality, of organics, has been a real concern of UDS. It is not their intent to continue purchasing organics from this vendor. Additionally, Earthbound Farms is their organic supplier. (Earthbound is a large vendor that pulls from all over the state and has plants in Yuma, as well as San Juan Baptista).they do not meet the above requirements.
 - c) **Green Leaf - They are produce brokers out of San Francisco, with a good selection of organics, but do not source solely from local farms and cannot meet the above requirements.
**Watsonville Coast Produce - They carry a lot of Earthbound product, but pull from many locals as well.They do not meet the above requirements.
10. *Pricing:* Even if the determination is made that the proposed purchase qualifies as unique or proprietary, and the vendor has supplied you with a written proposal or price quotation, it is preferable for the vendor to respond to a written request for quotation on University forms containing standard University terms and conditions. Such a RFQ will be prepared unless extreme time constraints preclude it.
11. *Reasonableness of price:* Indicate specifically how you have determined the prices quoted to you for these products or services are reasonable - e.g. comparison to previous order, comparison to purchase of similar equipment at UCSC or at other educational institution, GSA or other contract pricing, etc:
We have priced Alba/MBOFC against Greenleaf and Watsonville Coast Produce. A specific week is used, since base produce market prices are established each week and brokers can have daily fluctuations. For these purchases, it is our intent to establish fixed pricing which will be negotiated biannually, to cover both growing periods (spring-summer and fall-winter). Each of the comparative vendors is lacking two or more of the desired capabilities or features as referenced in question #4.
12. *Funding of order:* Indicate how this order is to be funded. Include any constraints or conditions imposed by the source of funds:
.University Dining Services is part of CUHS and receives its funding from 'Room and Board' payments.

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13. *Please indicate any additional background or other information that you feel may be of assistance in the completion of this transaction:*

UCOP has incorporated a California Student Sustainability Coalition (CSSC) and, after the passing of the Green Building Policy, appointed a Sustainability Specialist (Matt St. Claire) to enforce policy and oversee the development of The Chancellor's Sustainability Action Council at each campus. The FSWG was formed at the 2004 Campus Earth Summit to work with the University in its efforts to move toward a more sustainable campus food system. This is just one working group that functions within CSAC and reports to UCOP through Matt St. Claire. Their preference guidelines are provided as an attachment.

14. *Indicate time or other constraints of this order:*

Agreements and Purchase order must be in place by mid to late August to begin trial runs and establish a routine by September. The UCEN, in particular, needs completion to provide for their 'themed' opening.

Justification prepared by: xxxxxxxxxxxxxxxxxxxx

Department and position: xxxxxxxxxxxxxxxxxxxxxxxx

Date: xxxxxxx PO _____

I hereby verify the accuracy of the above justification and authorize the transaction.

Principal Officer (Asst./Assoc. Vice Chancellors, Deans, Director)

Date