

Request for Proposals

City of Quesnel

Hazard Analysis and Critical Control Points Certification Business Case and Implementation Plan

For

Sprout Kitchen Food Hub and Small Business Incubator

CLOSING DATE AND TIME:

Wednesday, March 22 at 2:00 pm

Contact Person:

Amy Reid
Manager of Economic Development & Tourism
areid@quesnel.ca

1. Purpose

The City of Quesnel invites proposals from qualified firms to develop a business case and implementation plan to make the Sprout Kitchen Food Hub a Hazard Analysis and Critical Control Point (HACCP) ready facility.

It is expected that this project will:

1. Take a realistic milestone-based approach to implementation, rather than a set timeline.
2. Identify a series of costed steps that can be taken to make Sprout Kitchen "HACCP aligned" allowing businesses seeking HACCP certification to operate in the space.

This project is funded by the Ministry of Agriculture and supports the requirement: "a business case and implementation plan that will support the expansion of Sprout Kitchen to transition to a HACCP certified facility."

The City of Quesnel previously completed a feasibility study for an Agricultural Centre, a business case for a Food Hub, and an Implementation Plan for Sprout Kitchen. An implementation plan for a regional distribution service has also been completed.

2. Submission Details

Submit proposal by email to Amy Reid, Manager of Economic Development & Tourism, areid@quesnel.ca. Email subject line should read: **HACCP Business Case and Implementation Plan**

Proposals may be withdrawn by written notice to Amy Reid, Manager of Economic Development & Tourism, areid@quesnel.ca.

Any interpretation of, additions to, deletions from, or any other corrections to the Proposal document, will be issued as written addenda by the City of Quesnel. It is the sole responsibility of the potential Bidders to check with the City of Quesnel's website, and/or BC Bid to ensure all information has been received prior to submitting a proposal.

No addenda will be issued after March 17, 2023.

The successful proponent by its acceptance of a negotiated agreement and purchase order, agrees to indemnify and hold harmless the City, its elected officials, agents and employees, from and against all loss or expense that may be incurred by the City, its officials, officers, employees and agents as a result of bodily injury, including death sustained by any person or persons, or on account of damage to property including loss of use thereof arising out of or as a consequence of the performance of the work stipulated in the RFP and any negotiated agreement.

3. Rights Reserved by the City:

The City is not liable for any costs incurred by interested parties in the preparation of their response to this request or interviews if held. Furthermore, the City shall not be

responsible for any liabilities, cost, loss or damage incurred, sustained or suffered by any interested party, prior or subsequent to, or by reason of the acceptance or non-acceptance by the City of any response, or by reason of any delay in the acceptance of the response.

The City reserves the right to reject any or all proposals and to accept the proposal deemed most favorable in the interests of the City.

The City may, in its absolute discretion, reject a proposal submitted by the proponent, if the proponent, or any officer or director of the proponent is or has been engaged either directly or indirectly through another corporation in legal action against the City, its elected or appointed officers and employees in relation to any other Contract for works or services or any matter arising from the Owner's exercise of its powers, duties or functions.

The RFP process does not commit the City in any way to select a proponent, or award or negotiate any contract. The City reserves the right to cancel this project for any reason whatsoever without any future obligations.

The City may accept or waive a minor and inconsequential irregularity where practicable to do so. The City may, as a condition of acceptance of the Proposal, request a Proponent to correct a minor and inconsequential irregularity with no change in the Proposal.

The determination of what is or is not a minor and inconsequential irregularity, the determination of whether to accept, waive, or require correction of an irregularity, and the final determination of the validity, will be at the sole discretion of the City.

4. Inquiries

All inquiries should be made prior to Tuesday, February 28, 2023 in writing, directed to:
Amy Reid, Manager of Economic Development & Tourism
E-mail: areid@quesnel.ca

5. Negotiations

The award contract is subject to negotiations with the Proponent that offers, in the City's opinion, the best value Proposal. Such negotiations include, but are not limited to, the following:

- a) Changes or refinements in the service requirements or scope of work proposed by the Lead Proponent;
- b) Price – if directly related to a change or refinement in the proposed scope of work proposed by the lead proponent; and
- c) Specific contract details as deemed reasonable for negotiation by the City of Quesnel.

6. Background

Sprout Kitchen Food Hub and Business Incubator ("Sprout Kitchen") is part of the BC Food Hub Network. Sprout Kitchen opened in June, 2021 with cold and freezer storage and basic processing equipment. Since then, additional equipment has been added, a

co-packing service and workshops are offered, and a delivery service will be launching in early spring 2023. At this time, the space is not eligible for Hazard Analysis and Critical Control Points (HACCP) Certification.

Sprout Kitchen operates primarily on a membership and fee for service model. Varying levels of membership provide different numbers of hours of kitchen access, with full members also receiving access to all equipment included in their membership. Lower cost members pay a fee to access each piece of equipment. Non-members may also pay to access cold and freezer storage and the delivery service. Workshops held in Sprout Kitchen are open to community members.

During earlier planning phases for Sprout Kitchen, it was determined that currently, most local food businesses are micro in scale. While Sprout Kitchen aims to move businesses along the growth continuum, most prospective users of the space were scaling from occasional sales at small business fairs to Farmers' Market, or Farmers' Market to local stores, rather than to national grocery chains. For this reason, HACCP Certification was not considered in the original design and implementation plan.

As Sprout Kitchen grows in members, and those members grow their businesses, HACCP Certification is more likely to become relevant. This Business Case is to prepare Sprout Kitchen to make necessary changes in order to accommodate member(s) who wish to operate with HACCP Certification and to eventually become a HACCP certified facility.

Sprout Kitchen currently handles all cleaning, waste removal, pest control, and maintenance of shared equipment. All members must have a business license and food safety plan to operate in the facility, however private individuals may rent space and pay for equipment use without a food safety plan.

The City of Quesnel has administered all grant funding for this project. Sprout Kitchen Society holds an operating agreement with the City of Quesnel to manage the facility. Sprout Kitchen Society board and staff will provide input on this project, and may act as an informal steering committee.

Financial projections indicate that Sprout Kitchen will become financially sustainable within the first five years of operations. Sprout Kitchen currently relies on operational support through grant funding, though additional revenue streams and installation of additional equipment to attract more members, are planned.

The City of Quesnel has been provided with funding from the Province of British Columbia to develop Sprout Kitchen and to create this HACCP certification plan. According to the funding agreement, the project outcomes are:

1. Growth of the food processing sector and regional agri-food sector to be a significant contributor to the local economy.
2. Improved sales and economic success of local food producers and processors.
3. Increased availability of, awareness of and access to resources and services for the food processing sector and value-added activities in the region to support and grow the regional agriculture and food sector.

4. Increase of applied research in food processing, new product development and commercialization, and innovation in the processing sector.
5. Direct links between private sector and academic institutions to support the applied research in benefit of the food processing sector in BC.
6. Increase of regional food supply chain integration through increasing the potential for local processing connected to regional supply chains.

7. Scope of Work

The project and final report will include, but are not limited to, the following elements:

1. Need analysis and implications:
 - a. Assess current and potential demand for the ability to accommodate HACCP-certified businesses and the need to become a HACCP certified facility.
 - b. Identify potential for increased (or decreased) revenue and expenses if services, policies, and procedures, are adapted to accommodate HACCP certified businesses, and if the facility becomes HACCP certified.
2. Comprehensive business plan, including considerations related to:
 - a. Detailed costs of facility improvements/renovations/layout changes required.
 - b. Detailed outline of changes to policies, processes and procedures required.
 - c. Detailed changes to operational costs/revenues associated with implementation steps.
 - d. Itemize any other positive or negative implications of moving forward with HACCP readiness.
 - e. Identify any other certifications which may be sought by members, which may benefit from these changes.
3. Implementation plan will be:
 - a. Phased, beginning with small, low cost changes which would allow HACCP certified businesses to operate within Sprout Kitchen with greater ease.
 - b. Based on milestones related to financial sustainability and/or membership growth.
4. The final report must include (at minimum) the following components, addressing the deliverables listed above:
 - a. Executive Summary
 - b. Current and future HACCP – certification need analysis
 - c. Budget
 - d. Adjusted operations budget following each phase (as necessary).
 - e. Detailed implementation plan and rationale
 - f. Potential funding sources
 - g. Risk and Mitigation Comments

8. Budget

- a. The total budget for this project, including all stakeholder meetings, travel, and any other costs incurred in report preparation will be no more than \$50,000.

9. Submission Requirements

All proponents are required to submit the following in their proposal:

- a. Identify company name, lead contact, and key personnel that will work on this project.
- b. Identify roles assigned to personnel related to this project, and their background experience/qualifications.
- c. Describe related experience of the company and provide examples of recently completed projects.
- d. Provide a detailed project plan, including consultation plan, time and resources allocated to the outlined tasks, a rationale for this approach, key milestones, and any additional products or services that will result from this approach. Describe the role and expectation of contributions required from City of Quesnel staff, Sprout Kitchen staff, board of directors, and involvement of stakeholders through each stage of the project.
- e. Provide a detailed project budget, with a breakdown of each task in the project. The budget should include a base cost and any extra costs for additional services.
- f. Provide a minimum of three references that include former clients.
- g. Proposals should not exceed 16 pages in length. CVs of key personnel or details pertaining to related work may be attached as additional pages.

10. Other Requirements

- a. Insurance
 - i. The proponent shall, at his own expense, provide and maintain to the Municipality until the completion of the contract the following insurance in a form acceptable to the Municipality with an insurer licensed in British Columbia:
 1. Commercial General Liability \$2,000,000.00
 2. Automobile Liability Insurance \$2,000,000.00
 - ii. The proponent shall be responsible for any deductibles or reimbursement clauses within the policy.
- b. Business License
 - i. The successful proponent must possess or be willing to purchase a City of Quesnel business license and will be required to provide evidence of same at contract start.
- c. WorkSafeBC
 - i. The proponent must be registered and remain in good standing, throughout the terms of this contract with WorkSafeBC and will be required to provide evidence of same at contract start.

11. Proposal Evaluation

The following criteria will be considered in the evaluation of proposals:

Experience of firm and key personnel	30
Project understanding	5
Project approach, process, and timeline	40
Quality and completeness of the proposal	10
Budget	15

Total	100
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Interviews may be conducted with top-scoring proponents.

12. Anticipated Schedule

- a. RFP Issued: Wednesday, March 1, 2023
- b. Proposals Due: Wednesday, March 22, 2023
- c. Interviews Conducted: March 27 - 30, 2023
- d. Firm Selected: April 3, 2023
- e. Project Start: April 4, 2023
- f. Preferred date of completion: June 30, 2023 (rationale for a longer timeline may be accepted).

13. Additional Resources

The following resources may assist you in developing your proposal:

- www.sproutkitchen.ca
- [BC Food Hub Network](#)
- Current clientele, financial statements, policies, procedures, and operating details of Sprout Kitchen will be provided to the successful proponent.