

Request for Proposals (RFP) # *Haiti-3PL-WRH-001*
AMENDMENT 3

Background

On March 5, 2021, Chemonics/GHSC-PSM Haiti launched the RFP # Haiti-3PL-WRH-001 identify and select a 3PL Subcontractor able to rapidly and responsively provide Warehouse Management Services for health commodities, which may include antiretroviral medicines, antimalarial medicines and Rapid Diagnostic Tests (RDTs), contraceptives, laboratory reagents, laboratory consumables, and other health-related commodities.

On March 11, 2021, Chemonics issued Amendment 01 to the RFP to modify Section I.2 Offer Deadline, and Section I.6 Chronological List of Proposal Events.

On March 23, 2021, Chemonics issued Amendment 02 to the RFP to modify Section I.4.A General Requirements, Section I.2 Offer Deadline, Section I.6 Chronological List of Proposal Events, and add Annex 7 Responses to Written Questions Received.

In Amendment 03 to the RFP, Chemonics is modifying Section I.4.B.3 Cost Proposal, Section II.2.i – Facilities and Equipment, Section II.2.iv – Inventory Management, and Section B. Required documents; is replacing Annex 2 Guide to Creating a Financial Proposal and Sample Budget and Appendix 05 List of MHE and Warehouse equipment; and is adding Annex 8 Responses to Bidders Conference Questions, Annex 9 Bidders Conference Presentation, and Annex 10 Photos of Warehouse.

Purpose

This amendment is being made to reflect the following:

- Update the Cost Proposal instructions (Section I.4.B.3 Cost Proposal).
- Update Section II.2.i – Facilities and Equipment
- Update Section II.2.iv – Inventory Management
- Update reference to the Warehouse Management System in section B. Required Documents – 2 Technical Proposal – Part I: Technical Approach, Methodology and detailed Work Plan -
- Replace **Annex 2 Guide to Creating a Financial Proposal and Sample Budget**.
- Replace **Part I Appendix 05 List of MHE and Warehouse Equipment**
- Add **Annex 8 Responses to Bidders Conference Questions, Annex 9 Bidders Conference Presentation, and Annex 10 Photos of Warehouse**.

Amendment

Specifically, the RFP # Haiti-3PL-WRH-002 is amended by:

- **Replacing in its entirety Section I.4.B.3 Cost Proposal and inserting in its place the following:**

The cost proposal is used to determine which proposals represent the best value and serves as a basis of negotiation before award of a subcontract.

The subcontract to be awarded will be an indefinite quantity subcontract with fixed unit rates. No profit, fees, taxes, or additional costs can be added after award.

The fixed unit rates shall be presented in two categories using the template provided in **Annex 2**:

- Product Movement (In-Bound and Out-Bound)
- Fixed Operating Services Costs

Product Movement (In-Bound and Out-Bound): The Product Movement unit prices shall include the following costs: all required labor to support the operation and activities outlined in the scope of work in Section II, office furniture, office equipment, warehouse equipment, safety and security items and any material needed to fulfill the In-Bound and Out-Bound activities. For the In-bound invoices reconciliation and payment, Chemonics will request the

submission of a Good Receipt report exported from the subcontractor's WMS, and a Processed Orders report for reconciliation and payment of the Out-bound services. The information in these reports is subject to GHSC PSM Haiti project verification using shipping documents, order requests, PODs and other supporting documents. Regarding the in-bound movements, it is the Subcontractor's responsibility to store all commodities in pallets irrespective of how the trucks were loaded. If the truck is delivering unpalletized commodities, the Subcontractor is expected to assemble and consolidate pallets at the receiving area using the information shown in the shipping documents. For example, if a truck brings 100 boxes of a single commodity, and 30 boxes made up a pallet, the 3PL would assemble 3 full pallets and one pallet with 10 boxes to move the pallets to the racks. The total number of pallets to be invoiced for this commodity in-bound from that truck is then 4 pallets. The invoice generated and submitted to GHSC-PSM Haiti should be based on the total number of pallets *after* assembly and consolidation occurs at the receiving area. If the truck brings less than full pallets of a commodity, the Subcontractor is expected to consolidate them into the smaller number of full pallets possible. The number of pallets leaving the reception area will also be reflected in the WMS put away and receiving documents it generates.

Additionally, the Subcontractor shall charge GHSC-PSM Haiti the full pallet rate for:

- Any pallet that is the last box or boxes of a product run after the full pallets are made.
- Any pallet that is made up of a product that contains less than a full pallet.
- Any in box that is a single carton.

The GHSC PSM Haiti project reserves the right to locally and remotely access the WMS to view and verify the information presented in reports and in general, to verify data entered into the system and its flow.

Fixed Operating Services Costs: Fixed Operating Services Costs will include those costs needed to support the operation that are not directly related to the volume of In-Bound and Out-Bound activities, which shall include items such as, but not limited to: material handling equipment's maintenance services, Warehouse Management System (WMS), internet service beyond the bandwidth that Chemonics shall provide, internal cleaning services, management cost, internal security guards service, temperature monitoring systems, internal CCTV and access control. The Fixed Operating Services Costs will be presented as a monthly fixed rate. This fixed rate will not subject to revisions for the duration of the task order. Chemonics shall not reimburse for any operating cost including travel costs, that are not embedded in the monthly fixed rate.

Fixed unit rates must be expressed in USD and include all associated costs, taxes, and fees.

The USAID-funded project under which this procurement is financed does not permit the financing of any taxes, TCA, tariffs, duties, or other levies imposed by any laws in effect in the Cooperating Country, and in accordance with the bilateral agreement between the Government of the United States and the Government of Haiti, Chemonics will submit the subsequent subcontract for exemption by the Cooperating Country government.

Therefore, Offerors are requested to submit quotations with any taxes, TCA, tariffs, duties, or other levies imposed by the laws in effect in Haiti clearly identified separately from the offered price.

Any resultant subcontract shall be priced as free and exempt from any taxes, TCA, tariffs, duties, or other levies imposed by the laws in effect in Haiti. The Offeror shall not charge any host country taxes, TCA, tariffs, duties, levies, etc. from which this USAID program is exempt. In the event that any exempt charges are paid by the Subcontractor, Chemonics will not reimburse them to the Subcontractor unless Chemonics had approved them in advance in writing.

The cost proposal shall also include a budget narrative that explains the basis for the fixed unit rates. Chemonics reserves the right to request additional cost information if the evaluation committee has concerns of the reasonableness, realism, or completeness of an offeror's proposed cost.

Under no circumstances may cost information be included in the technical proposal. No cost information or any prices, whether for deliverables or line items, may be included in the technical proposal. Cost information must only be shown in the cost proposal.

- **Replacing in its entirety Section II.2.i – Facilities and Equipment and inserting in its place the following:**

II.2.i - Facilities and Equipment

Subcontractor shall operate the Fleuriot Warehouse pharmaceutical cold chain, pharmaceutical grade, and ambient storage facility in compliance with the following requirements:

- No unauthorized personnel shall be permitted access to facilities. Chemonics, its designates, Global Fund, and USAID staff shall be granted access to any facility during business hours, unless otherwise agreed, for the inspection of the goods and facility, as well as to capture metrics of vendor performance.
- Stock shall be under continuous supervision, with adequate security staff and resources, which shall be provided on a rotating schedule 24 hours a day, seven days a week.
- The following equipment is owned by the US Government and will be given in concession to the Subcontractor for the duration of the subcontract.:
- material handling equipment: manual pallet jacks, hand trolleys, forklifts and adjustable pallet racks;
- fire suppression systems: serviced fire extinguishers, and related equipment included in the list of Chemonics MHE and Assets;
- all other equipment included in Appendices Part 1 (List of Chemonics MHE and Assets);
- A maintenance plan and log for the above listed equipment must be used and shared with Chemonics. The equipment given in concession to the Subcontractor shall be returned to Chemonics in good operating condition (reasonable wear and tear excepted) at the end of the subcontract. The Subcontractor shall maintain the equipment fully functional at all times.
- The following equipment shall be provided by the Subcontractor, maintained and fully functional at all times:
- all safety and security equipment including internal CCTV system and access control systems if deemed necessary. Footage must be stored on a cloud-based system for a minimum of 60 days after recording, accessible to Chemonics if requested; Chemonics will operate and maintain the existing CCTV system.
- Warehouse Management System (WMS) subscription and services, and any necessary associated hardware/software;
- all computer and network equipment required for warehouse management, including but not limited to computers, printers, server, network hardware, handheld devices, etc.;
- Wi-Fi network for Subcontractor's use; the current installed capacity is for Chemonics' exclusive use.
- all communications technology and equipment, including telephones, internet bandwidth required in excess of the 5Mbps that Chemonics will provide, mobile phones, fax, and email;
- all temperature monitoring and recording equipment, including temperature alarms for the cold chain storage areas. This equipment shall be Wi-Fi enabled and guarantee 24-hour access to Chemonics;
- additional MHE, tools, and safety equipment deemed necessary for the delivery of warehousing services, including all additional EURO pallets needed.
- Storage facilities shall be clean. A written sanitation procedure shall be maintained and approved by Chemonics, together with logs recording.
- Chemonics will be responsible for pest control at the warehouse.
- Chemonics will operate and maintain the set of power generators currently installed at the warehouse.
- The offeror shall be responsible for complying with the applicable environmental regulation as per the USAID Title 22 Code of Federal Regulations Part 216- Environmental Procedures and with the applicable Haitian environmental laws, and regulations to safeguard the environment and human health and safety.
- The subcontractor must maintain sufficient EURO pallets to conduct all warehouse operations to ensure pharmaceutical and non-pharmaceutical health commodities are always managed and stored off the floor,

including adequate controls to ensure only suitable EURO pallets are used. Storage using the Adjustable Pallet Racks and at floor level must be spaced to permit cleaning and inspections at all time.

- To optimize space, commodities should be stacked as high as recommended by manufacturer. This must be complied upon receiving commodities and during in-storage reorganization and commodity rotations.
- The storage areas in the facility shall be organized and maintained for the specified product categories (pharmaceuticals, laboratory reagents & consumables, other health commodities and hazardous commodities (if required)). There must be defined areas for quarantine, rejected, returned, or recalled products. There must be sufficient staffing to allow for: products to be stored in an orderly fashion, rapid receipt to the designated areas, picking and packing process.

The use and management of loading dock doors shall adhere to an SOP that minimizes the time these doors remain open. The Subcontractor shall prepare and submit this SOP for Chemonics' approval. The Subcontractor shall consider measures that result in minimizing fuel consumption and ACs/generators' wear and tear. Among the measures for this SOP, the Subcontractor shall include doors management, during and after receiving and dispatching commodities. The comprehensive management compliance audit will include the adherence to this SOP.

The Subcontractor will be assigned 154 m2 in the warehouse first floor to dedicate to its staff's offices. This area is already equipped with AC split units for the Subcontractor to operate and Chemonics to maintain. Other details of this area are presented in the Appendices Part I.

A list with key operation, maintenance and services responsibilities is provided in the Subcontract Appendices Part I. This list is not intended to be exhaustive; the subcontractor is expected to provide all equipment, tools, consumables and services needed for the delivery of warehousing services taking into account the equipment Chemonics will be given in concession to the Subcontractor for the duration of the agreement, and the services that Chemonics will provide.

- **Replacing in its entirety Section II.2.iv – Inventory Management and inserting in its place the following:**

II.2.iv - Inventory Management

Subcontractor shall have written Standard Operating Procedures (SOPs) and records to document all the commodities' inventory related activities in compliance with the following requirements:

- a. Subcontractor shall maintain an automated inventory control and management system (Warehousing Management System - WMS) with cloud-based capabilities. The WMS shall provide the following:
 1. software: batch and dynamic inventory control that allows for the control of goods in such a manner that prevents contamination, mix-ups, and cross-contamination; the system shall capture and maintain volumetric, weight, and unit price data on every commodity; keeping records inbound and outbound inventory, inventory adjustments, physical inventory counts, and reconciliations;
 2. hardware: handheld terminals with barcode scanning capability, to be used for pick, pack, dispatch, receipt, stock control, order fulfilment, and distribution;
 3. support (or be able to be extended to support) GS1 barcode identifiers, including the ability to store and transmit details of serial numbers of items in a transaction (look up GS1 serialization);
 4. data access must be granted to Chemonics by enabling direct local and remote access to the WMS interface for queries and system reports; as well as daily data sharing through electronic data interchange (EDI) protocols with the data fields defined by Chemonics;
 5. cloud-based customer order management portal;
 6. real time client access for stock visibility and reports;
 7. electronic ordering and dispatch requests;

8. application programming interface (API) to link with Chemonics' enterprise resource planning (ERP), including CSV integrations via FTP/SFTP;
- b. Subcontractor shall process orders duly authorised by Chemonics, and shall pick, pack, and dispatch products for such orders, according to the regular delivery schedule and/or special delivery orders provided by Chemonics, ensuring that products are distributed based on the FEFO principle (except otherwise directed in writing by Chemonics) and dispatches correspond with order and proofs of delivery (PODs) (or electronic proofs of delivery (ePODs)). The Subcontractor shall reconcile and file all outbound PODs after delivery the party responsible for transportation. POD reconciliation in the WMS must capture, dispatch and delivery/receipt dates, details such as damages, losses, and/or discrepancies notified by the recipient. Chemonics must approve the POD template to be used for deliveries.
- c. Packaging, packing, and transportation methods shall comply with manufacturers' requirements for ensuring the safety, efficacy, and quality of the product, and shall be appropriate for distribution in the particular climates and transport and storage conditions encountered in Haiti. The Subcontractor must provide all required packing material and its cost shall be considered in the fixed unit prices. Chemonics currently uses standard shipping carton (20 x 16 x 14 inches) with an annual consumption of around 8000 units. The historical consumption of passive cooler consumption per quarter is 5 to 7 units (External Dimensions: 596 x 396 x 367mm & Internal Dimensions: 496 x 296 x 260mm)
- d. Orders will be received at least 2 days prior to required dispatch date.
- e. It is recognized by Subcontractor that flexibility at times will be required and thus orders might be received with less than the 2 days' notice prior to required dispatch. In these situations, the Subcontractor has to deploy all necessary resources in order to meet the required deadlines for delivery to the recipients, including potentially working in emergency or high-risk situations (with justification provided by Chemonics) on a rotating schedule, 24 hours a day, seven days a week (including holidays). Subcontractor shall consider using compensation time schedule for work performed during these unusual emergency situations.
- f. All products shall be stacked in the order and height in accordance with the manufactures' instructions, using EURO pallets. Packaging labels must free of obstruction, clearly displaying the details of contents, weight, quantities, manufacturer, expiry dates, and any special instructions for handling the products.
- g. Commodities available for dispatch must be labeled accordingly.
- h. All commodities are required to be stored off the floor at all times using EURO pallets at floor level or on the racks. The Subcontractor is responsible for ensuring that all full pallets are stretch wrapped and labeled, whether kept stored at floor level or on the racks.
- i. In the picking racks/bin location, all items must be in their own fixed-bin location, and no more than one item per location is allowed. This is to be managed through the WMS system.
- j. The inventory control personnel are responsible for ensuring that separation of batches is maintained.
- k. Products are to be covered and not left open, except in the defined pick locations.
- l. Security Tape – The subcontractor must use proprietary, anti-tamper security tape to seal or reseal all boxes packed at the warehouse. The anti-tamper seal included in the security tape should, when removed, leave a clearly visible warning message on the box for easy detection of attempted theft. If boxes have existing security tape from the manufacturer, the Subcontractor must add proprietary tape, pasted perpendicular to the manufacturers' tape. If procedures are not followed and security tape is not used, the Subcontractor will be responsible for compensating 110% of the value of the lost commodities from tampered boxes, as per section II.2.ix – Liability for Lost or Damaged Goods.
- m. Boxes in the bulk storage area are to be resealed where possible. This is especially important after any quality assurance sampling which may be required.
- n. Boxes used for storing product must either be the USAID branded boxes, the vendor's boxes, or unprinted boxes. Boxes that are recycled must have all details defaced off the box before they can be reused. All unprinted boxes must have a label showing details of the content.
- o. Mixing of products during picking and packing into original vendor's boxes shall not be permitted. If it is in a vendor's branded box, other products cannot be picked or packed into that same box.

- p. Mixing of products in unprinted boxes during picking and packing is permitted but shall be well labeled (product description, batches and expiry date, quantity, temperature requirement).
- q. All pallets used shall comply with EURO size, must be firm and unbroken and heat treated (if wooden), clean, free of dirt and insects, and stored or cross docked in a dry area. Where necessary, pallets are to be scrubbed and vacuumed.
- r. There shall be adequate human and material handling resources to ensure that the loading and offloading of health commodities in to and out to vehicles at the warehouse is conducted in a timely fashion to ensure there are no unnecessary delays in commodities receipt and dispatch; this includes loading and offloading of bulk or palletized shipments. The subcontractor must provide all necessary resources to offload bulk shipments, including palletizing the commodities using EURO pallets in accordance with the manufactures' instructions, ensuring space optimization. The subcontractor must provide all necessary resources to load bulk or palletized orders per Chemonics instructions. The maximum number of hours spent loading or offloading a vehicle: offloading a 30ton/40ft. container 1.5-2hrs; loading 2-3 hrs. max; offloading a 20 ton/20ft container or smaller 1-1.5hrs, loading 1.5-2hrs max.
- s. Subcontractor shall record the quantities, batch number, expiry date, and temperature reading (on the temperature monitoring device that shall accompany shipments if required) of the product(s) being handed over to the distribution agent, and any other relevant information provided by Chemonics in the delivery slip. The delivery slip shall have the signature from the distribution agent to confirm receipt of product from the facility.
- t. Subcontractor shall issue a daily inventory variance report directly from the WMS.
- u. Subcontractor shall facilitate and participate in full physical inventories joined by Chemonics or its delegated audit agency every three (3) months. Reconciliation reports must be provided in writing to Chemonics, ensuring stock data is accurate in the WMS. Chemonics can request physical inventories of specific products, product categories or specific storage areas to the Subcontractor; Chemonics will provide at least 24-hours advanced notification. In the event of loss or inventory discrepancies of stock due to mishandling by the Subcontractor (i.e. missing items, theft, damaged or expired products (failure to comply with FEFO)) identified during the physical counts, Chemonics will confirm and quantify the value of the loss of stock, the Subcontractor will be responsible for compensating 110% of the loss stock or inventory discrepancies value as per section II.2.iii Product Control, literal I, section II.2 viii– Insurance, and section II.2.ix – Liability for lost or Damaged Goods.

- **Replacing in its entirety the bullet points on Warehouse Management System (WMS) under B. Required Documents – 2. Technical Proposal – Part I: Technical Approach, Methodology and Detailed Work Plan and inserting in its place the following:**

Warehouse Management System (WMS)

- The awarded 3PL shall implement a Commercial Off The Shelf (COTS) WMS system to support the warehouse operation for the project. The COTS product shall be an industrial known system with proven records of supporting the warehouse operation in multiple countries (three at a minimal).
- The 3PL shall provide written and legally binding authorization to Chemonics and WMS provider to communicate directly, and on behalf of Chemonics and the USAID government, request audit queries, audits of the software, or parts of the software. Any queries resulting in unreasonable LOE and financial implications will be borne by Chemonics and paid directly to the WMS provider.
- The warehouse operations methodology shall specifically mention what Warehousing Management Information System (WMS) the offeror will be using to support the operation, describe how they will make WMS information and data accessible to Chemonics and provide details of their experience using the WMS.
- The proposed methodology and system should ensure that Chemonics has 100% read only access to the WMS information at all times.

- The proposed WMS shall include electronic/automated receiving, put away, picking, stock counting, location, batch/Lot tracking, and order allocation.
- The general features requirement of the WMS system
 - a. The WMS system shall be accessible from anywhere
 - b. Have the capability to manage the user privilege according to defined user roles and job functions in addition to the products and data elements required for the warehouse operation.
 - c. WMS system shall provide a comprehensive audit log feature to capture all transactions occurred on a real time basis. The log file shall include but is not limited to:
 - i. User id and name
 - ii. Location where user log in to the system if possible
 - iii. Date and time action occurred
 - iv. Name of function executed by the user
 - v. Data element(s) changed including what was the data (before) and what was the change (after) including the “delete” action
 - d. Failover capability should the primary server fail, the secondary server can take over immediately to support the operation
 - e. Offeror and or the WMS system provider shall configure the system for full database backup on to a separate backup environment on a daily basis a data recovery scripts and procedure shall be provided to Chemonics for record.
- The WMS system vendor shall provide reports and dashboard creation training to the GHSC-PSM designated staff in particular the audit log report and analysis. This training will be a Chemonics cost and not the 3PL
- The offeror shall coordinate and plan for the user acceptance testing (UAT) to be performed by Chemonics to ensure all system and functional requirements of the WMS have been met prior to the system roll-out for operation.
- **Replacing in its entirety Annex 2 Guide to Creating a Financial Proposal and Sample Budget.**
- **Replacing in its entirety Part I Appendix 05 List of MHE and Warehouse Equipment**
Non-Expendable Items
- **Add Annex 8 Responses to Bidders Conference Questions, Annex 9 Bidders Conference Presentation, and Annex 10 Photos of Warehouse.**

All other terms and conditions of the original RFP # Haiti-3PL-WRH-001 remain in effect and unchanged.