

**BEMIDJI AREA SCHOOLS
BEMIDJI, MINNESOTA**

DATE: MAY 19, 2025

TO: ISD #31 BOARD OF EDUCATION

FROM: ASHLEY EASTRIDGE, CPA, DIRECTOR OF BUSINESS SERVICES

SUBJECT: MILK BIDS FOR 2025-2026 AND 2026-2027

COMMENTS:

MN Statute 123B.52 states that "contracts for the purchase of perishable food items, except milk for school lunches and vocational training programs, in any amount may be made by direct negotiation by obtaining two or more written quotations for the purchase or sale, when possible, without advertising for bids or otherwise complying with the requirements of this section or section 471.345, subdivision 3. All quotations obtained shall be kept on file for a period of at least one year after receipt." Per MN statute 123B.52, the district must follow the sealed bid process as defined in MN statute 471.345 for milk distribution.

Milk bids were received in the district offices for the milk supply in regards to fiscal year 2025-2026 and 2026-2027. Two bids were received. The bids were from Performance Foodservice (our current provider) and Ten Finns Creamery. A recap of the bids are listed below:

Performance Foodservice:

Cartons	Estimated Quantity	Per Unit Price	Total Estimated Price
Half Pint – skim	250,000 approx.	.34 ea	\$ 85,000.00
Half Pint – 1%	250,000 approx.	.36 ea	\$ 90,000.00
Half Pint – choc skim	400,000 approx.	.42 ea	\$ 168,000.00
Total			\$ 343,000.00

Ten Finns Creamery:

Cartons	Estimated Quantity	Per Unit Price	Total Estimated Price
Half Pint – skim	250,000 approx.	.29 ea	\$ 72,500.00
Half Pint – 1%	250,000 approx.	.29 ea	\$ 72,500.00
Half Pint – choc skim	400,000 approx.	.33 ea	\$ 132,000.00
Total			\$ 277,000.00

Due to the low bidder being a new company that the District has no experience with, our Food Service Coordinator performed reference checks with other school districts to get an understanding of their experience with Ten Finns Creamery. Unfortunately, these reference checks uncovered several issues such as, packaging issues (leaking, mislabeling, uncleanliness) and inconsistency in delivery schedule. Also, student participation drastically decreased because the milk is non-homogenized. Due to these issues I am recommending that the District accept the bid from Performance Foodservice.

SUGGESTED ACTION:

The motion was made by _____, seconded by _____, and carried
(_____) that the milk bid from Performance Foodservice be accepted for the following amounts:

Cartons	Estimated Quantity	Per Unit Price	Total Estimated Price
Half Pint – skim	250,000 approx.	.34 ea	\$ 85,000.00
Half Pint – 1%	250,000 approx.	.36 ea	\$ 90,000.00
Half Pint – choc skim	400,000 approx.	.42 ea	\$ 168,000.00
Total			\$ 343,000.00

SPECIFICATIONS & BID SHEET

1. Escalator – Milk

The Bid Month Federal Order price for Class I milk shall be the base for any increase or decrease in the milk bid. If during the delivery month the Federal Order price increases or decreases 10 cents CAT from the bid month, the milk bid shall be adjusted \$0.00054 per half pint.

Cartons:

Half Pint – Skim	250,000 approx.	\$0.29	\$72,500
Half Pint – 1%	250,000 approx.	\$0.29	\$72,500
Half Pint-Choc Skim	400,000 approx.	\$0.33	\$132,000

2. The above bids are based on the Class I Federal Order # 30, Class I Skim Milk, Base Zone
Price for raw milk announced for March 2025 \$13.25/cwt
Bid Month

3. Delivery of milk must be made to each location at the discretion of the School District.
4. Delivery of milk must be placed in designated cooler at each site.

COMPANY: Ten Finns Creamery 4/29/25
Name Date
51005 635th Avenue
Address tenfinnscreamery@gmail.com
Menahga, MN 56464 michael@tenfinns.com
218-255-7947

SIGNATURE: 



United States
Department of
Agriculture

UPPER MIDWEST MARKETING AREA
Federal Order No. 30

Agricultural Marketing Service
Dairy Programs

Home Page:
www.finma30.com

600 East Diehl Road, Suite 100
Naperville, IL 60563-4896
Telephone: (630) 810-9999
Fax: (630) 810-1788

1600 West 82nd Street, Suite 200
Minneapolis, MN 55431-1420
Telephone: (952) 831-5292
Fax: (952) 831-8249

4600 American Parkway, Suite 101
Madison, WI 53718-8334
Telephone: (608) 242-1822
Fax: (608) 467-4300

**ANNOUNCEMENT OF CLASS PRICES AND RELATED DATA
FOR MARCH 2025**

	Market Class I Differential Rate (Per cwt.)	Class I Prices ^{1/}		
		Skim Milk (Per cwt.)	Butterfat (Per Pound)	3.5% BF (Per cwt.)
Base Zone	\$ 1.80	\$13.25	\$ 2.8664	\$22.82
Other Zones	\$ 1.75	\$13.20	\$ 2.8659	\$22.77
	1.70	13.15	2.8654	22.72
	1.65	13.10	2.8649	22.67
	1.60	13.05	2.8644	22.62
Class II Prices				
	Nonfat Solids	(Per pound)		\$ 1.2567
	Butterfat	(Per pound)		2.6312
	Skim Milk	(Per cwt.)		11.31
	3.50% BF	(Per cwt.)		20.12
Class III Prices				
	Protein	(Per pound)		\$ 2.4606
	Other Solids	(Per pound)		0.3647
	Butterfat	(Per pound)		2.6242
	Skim Milk	(Per cwt.)		9.78
	3.50% BF	(Per cwt.)		18.62
Class IV Prices				
	Nonfat Solids	(Per pound)		\$ 1.0393
	Butterfat	(Per pound)		2.6242
	Skim Milk	(Per cwt.)		9.35
	3.50% BF	(Per cwt.)		18.21
Somatic Cell Adjustment Rate				
		(Per cwt. per 1,000 SCC)		\$ 0.00091

Factors Used in Prices for March 2025

Advanced Class III Skim Milk Price		(Per cwt.)	\$10.81	
Advanced Class IV Skim Milk Price		(Per cwt.)	10.61	
Class I Skim Milk Price Mover		(Per cwt.)	\$11.45	
Advanced Butterfat Price		(Per pound)	2.8484	
			<u>2-Week Average</u>	<u>Monthly Average</u>
AMS Survey Prices	Butter	(Per pound)	\$ 2.5236	\$ 2.3385
	Cheese-Weighted Average	(Per pound)	1.9097	1.8215
	40-pound Block	(Per pound)	1.9093	1.8420
	500-pound Barrel	(Per pound)	1.8801	1.7732
	Dry Whey	(Per pound)	0.6986	0.5532
	Nonfat Dry Milk	(Per pound)	1.3587	1.2176
Component Prices	Butterfat	(Per pound)	\$ 2.8484	\$ 2.6242
	Protein	(Per pound)	2.5087	2.4606
	Other Solids	(Per pound)	0.5145	0.3647
	Nonfat Solids	(Per pound)	1.1790	1.0393

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Cartons:

Half Pint – Skim 250,000 approx. case cost \$17.15/individual cost .34 cents

Half Pint – 1% 250,000 approx. case cost \$18.00/individual cost .36 cents

Half Pint-Choc Skim 400,000 approx. case cost \$21.20/individual cost .42 cents

The above bids are based on the Class I Federal Order # Fluid Dairy

Price for raw milk announced for April 2025

Bid Month

3. Delivery of milk must be made to each location at the discretion of the School District.

4. Delivery of milk must be placed in designated cooler at each site.

COMPANY- Foodservice Twin Cities

Name- Jamie Mokros

Date 4/28/25

Address 13400 Commerce Blvd. Rogers Mn 55374

SIGNATURE: 