



West Texas Food Service Cooperative Interlocal Agreement

Start Date: 8/1/2026

End Date: 7/31/2027

Contact: Dorothy Glenn - dglenn@esc17.net, bmartin@esc17.net

Contract Base Cost: --

Child Nutrition and Purchasing

Description:

The goal of the Cooperative is to obtain substantial savings on specific food service items for member districts through volume purchasing. The highest quality products for the best possible prices will be sought. The district should benefit through cost savings, meeting federal and state procurement regulations, and receiving items meeting federal Child Nutrition Program requirements. Participating Education Service Centers will organize and administer The West Texas Food Service Cooperative (Cooperative) with Region 17 Education Service Center acting as the fiscal agent (Coordinating Center).

This agreement is entered into pursuant to the authority granted by Title 7 (Agriculture) of the Code of Federal Regulations, Chapter 791 of the Texas Government Code, and Chapter 8 of the Texas Education Code.

CONTRACTS INVOLVING FEDERAL FUNDS: Region 17 ESC may be unable to determine which of its agreements/contracts will be used by cooperative members using federal funds at the time of the procurement process. Therefore, Region 17 ESC intends to competitively procure each contract awarded by Region 17 ESC under Section 44.031 of the Texas Education Code and intends to comply with EDGAR and USDA regulations for every procurement action. To comply with EDGAR, Region 17 ESC will make an independent estimate of the value of goods or services in the current market before receiving bids or proposals. After Region 17 ESC receives bids and proposals, but before awarding a contract, Region 17 ESC will also conduct a price or cost

analysis and document its findings. For contracts at or above \$50,000 cooperative members must verify that Region 17 ESC fulfilled its requirement to conduct a cost or price analysis in order to benefit from the ability to purchase goods and services from its purchasing cooperatives directly without the need for additional procurement activities or documentation. Region 17 ESC will provide its Independent Estimate Determination Form and Determination of Cost or Price Reasonableness Form to a cooperative member upon request, but Region 17 ESC recommends that when circumstances necessitate separate evaluation of lump-sum pricing, cooperative members also conduct an independent evaluation of cost or price reasonableness tailored to the cooperative member's specific purchases so that the cooperative member can independently determine the reasonableness of the cost/price of the particular purchase. Stated differently, if the cooperative member's verification of Region 17 ESC's compliance with EDGAR reveals that the lump-sum price includes goods or services for which Region 17 ESC could not have performed a cost or price analysis, the cooperative member should conduct an independent cost or price analysis.

Term of Contract:

The term of this contract shall be from the date of acceptance by authorized District personnel through July 31, 2027. The participating party(ies) may with mutual agreement among all other participating parties, rescind the Commercial Purchasing and/or Full-Service component of this contract with a thirty (30) day written notice. If participating in the Commodity Processing component of this contract, the participating party is required to fulfill the contractual obligation until all processed commodity commitments are received. For general termination information, see Section VII.

A signed agreement or at least a verbal commitment from district must be received by the WTFSC by February 13, 2026, for district to participate in commodity processing for contract year.

General Provisions:

In accordance with United States Department of Agriculture (USDA) regulation and Texas Department of Agriculture (TDA) guidance in the Administrator's Reference Manual Section 17c, the Cooperative is a Child Nutrition Program (CNP) Operator-Only Cooperative that is categorized as a "for profit cooperative". Consequently, at the end of the contract year, the Cooperative must return all profit in excess of the profit margin as described in the contract to the participating Cooperative's members, i.e., Contracting Entities. The Cooperative's "profit margin", for purposes of this Agreement, shall be the revenue received by the Cooperative through the charging of the vendor fee set forth in "Fee" section below minus the expenses to the Coordinating Center to operate the Cooperative. The Coordinating Center shall retain the profit margin; however, revenue received in excess of the profit margin ("unanticipated profit"), if any, shall be distributed to the Cooperative's members.

Fee:

No fee shall be charged to members of the Cooperative.

The USDA does not allow federal funds received by ESC Child Nutrition components to be used to support purchasing cooperatives. Therefore, the Cooperative is a self-funded entity. To provide this revenue, a fee of .85% of each district Commercial Purchase is charged to the vendor through a Vendor Participation Fee. Through the Commodity Processing bids, a per-

truckload fee of \$500.00 is charged to the processor as an Administrative Processing Fee. All fees are used to cover expenses related to the administration and direct operation of the Cooperative. Districts, even though they may incur these fees indirectly, pay no direct fee to the Cooperative for participation.

ESC 17 (Coordinating Center) Responsibility:

- Provide for the organizational and administrative structure of the cooperative.
- Provide for staff time necessary for efficient operation of the cooperative.
- Host Regional Advisory Board meetings for commercial bid purchasing and commodity processing components.
- Provide onsite and/or technology based regional and/or area trainings as requested/necessary.
- Initiate and implement activities related to the bidding and vendor selection process, in accordance with formal procurement procedures for Texas public schools.
- Review annual fiscal report with member districts at a Fall Advisory Board Meeting.
- Provide districts with Service Report/Product Comment Forms to address quality assurance and vendor complaint issues consistently.
- The Cooperative will not be held responsible for product warranties, product qualities, failure to deliver by vendor(s), or failure of payment to vendor(s) by participating members.
- Manage awarded contracts including:
 - Utilizing cost/price analysis
 - Maintaining awarded catalog(s)
 - Monitoring addition of new goods and/or services
 - Monitoring value of contract(s), i.e., Material Change
 - Material change means a modification that exceeds and/or alters the terms of the original contract between WTFSC, its cooperative members, and Vendor in the amount of 10% of total contract value.

Role of the Participating District:

- Commit to participate in the Cooperative by resolution of the governing body.
- Designate a contact person for the Cooperative.
- Return all necessary forms to the Cooperative in a timely fashion with appropriate signatures.
- Abide by directives and decisions of the Regional Advisory Boards and Coordinating Center.
- Abide by Texas Department of Agriculture Roles and Responsibilities for Further Processing of USDA Foods as per the Contract Packet via TX-UNPS-WBSC.
- Prepare purchase orders issued to the appropriate vendor(s)/processor(s) from the official award list provided by the Cooperative.
- Accept shipments of products in accordance with standard HACCP delivery procedures and the Cooperative delivery agreements.
- Pay vendor(s) as per awarded terms and conditions unless prior arrangements have been made between the participating member and the vendor(s). All deliveries will be made in accordance with the specified delivery schedule in each bid document.
- Manage awarded contracts including:
- Notifying WTFSC of issues regarding vendors and product quality by submitting the Service Report/Product Comment Forms as necessary
- Following proper procedures to request additional items to be added to bid catalog
- Verify accuracy of invoices and authorizing payments consistent with contract terms
- Monitor any changes to the contract through the amendment process allowed by the terms of the contract

Commercial, Commodity or Full-Service Delivery:

Service Cost: --

Please see options below.

Which option would you like?

Please select options below:
Commercial Food Purchasing (through awarded distributor. Example: Labatt), Commodity Processing (Must participate in the USDA/TDA commodity processing program), Full-Service Delivery (Milk, Bread, Novelties, etc...shipped directly to CE. Example: Gandy's)

MILK Delivery:

Service Cost: --

Full-Service milk delivery options are Gandy's Dairy, Oak Farms or Plains Dairy.

Who would you like to deliver your MILK?

Select options below:
WE DO NOT WANT MILK DELIVERY

FRESH BREAD :

Service Cost: --

Full-Service delivery of fresh bread through Bimbos Bread.

Would you like to have FRESH BREAD delivered through Bimbos Bread?

Select One Option Below:
YES, I want Bimbos Bread delivered.

ICE CREAM NOVELTIES:

Service Cost: --

Full-service ice cream novelties delivery through Klement Distributors.

Would you like ICE CREAM NOVELTIES delivered?

Select one below:
YES, we want ICE CREAM NOVELTIES delivered

SPECIALTY BEVERAGES:

Service Cost: --

Full-service delivery of specialty beverages through Trident Beverages.

Would you like to have SPECIALTY BEVERAGES delivered through Trident Beverages?

Select One Below:
NO, WE DO NOT WANT SPECIALTY BEVERAGES

MEAT Delivery:

Service Cost: --

Full-Service meat delivery options are Direct Source Meat(DSM) or Quintero's Meat Company.

Who would you like to deliver your FESH MEAT?

Select options below:
Quintero's Meat Company

Cafeteria Manager Information:

Service Cost: --

Please enter your Cafeteria Manager/Food Service Director information below.

Enter required contact information below:

Cafeteria Manager/Director NAME:	Cafeteria Manager/Director EMAIL:	Cafeteria Manager/Designee PHONE:
Agueda Reyes	agreyes@seisd.net	915-872-3967

Additional Information:

- **Compensation.** The parties agree that the contractual payments under this Agreement and any related exhibits and documents are amounts that fairly compensate ESC 17 for the services or functions performed under the Agreement.
- **Severability.** If any portion of this Agreement shall be declared illegal or held unenforceable for any reason, the remaining portions shall continue in full force and effect.
- **Venue.** This Agreement shall be governed by and construed in accordance with the laws of the State of Texas, and venue shall lie in Lubbock County, Texas, unless otherwise mandated by law.
- **Warranty.** By the execution and delivery of this Agreement, the undersigned individuals warrant that they have been duly authorized by all requisite administrative action required to enter into and perform the terms of this Agreement.
- The delivery of these services as described in this agreement is contingent upon sufficient funds being received from the contracting school. Should sufficient funds not be received, the delivery of services must necessarily be reduced accordingly.
- The parties acknowledge and agree that any payments made for services shall be made from current revenues available to the district.
- **Equal Treatment of All Person:** Consistent with Article I, Section 3a of the Texas Constitution, the Fourteenth Amendment to the United States Constitution, federal and State law, and Executive

Order No. GA-55, Contractor represents and warrants that:

1. All conduct under this Contract shall be administered and performed in a neutral manner without regard to race of persons;
 2. Contractor shall not, in the specific performance of this Contract, elevate one individual person over another, or advantage any one person over another, due to race;
 3. Contractor shall not, in the specific performance of this Contract, employ practices or engage in any advancement of the programs known as diversity, equity and inclusion, critical race theory, affirmative action, or other similar, divisive agendas;
 4. Contractor's staff, agents and subcontractors that are selected and employed in the specific performance of this Contract shall be selected and employed solely on merit and the ability to perform; and
 5. Contractor shall ensure that any subcontractors participating in the specific performance of this Contract represent and warrant to the provisions of this Clause.
- **Biological Sex and No Preferred Pronouns.** Consistent with Governor Greg Abbot's January 30, 2025, letter to State agencies: Contractor represents and warrants that it shall ensure that all actions in specific performance of this Contract shall comply with federal and state law and reflect that there are only two sexes. Contractor's employees, officers, representatives, subcontractors and agents shall not, in performance of this Contract, present, direct, request or suggest the use of preferred personal pronouns in professional correspondence or presentations.

Total Contract Cost: \$0.00

Signed By:

San Elizario ISD

Date Signed:

Signature of Executive Director: Kyle Wargo, Region 17 ESC

Date Signed:

