



MEMORANDUM

TO: ISD 110 School Board

FROM: Barb Schank, Director of Nutrition Services
Pam Carman, Director of Finance & Operations

DATE: June 22, 2026

SUBJECT: Approval of Milk and Bread Vendor Agreement Renewals for 2026–2027

Purpose

The purpose of this memorandum is to request School Board approval for the renewal of the district's milk and bread vendor agreements for the 2026–2027 school year.

Background

Nutrition Services annually procures milk and bread products through a competitive procurement process in accordance with federal and state purchasing requirements.

The district is requesting approval to renew the following vendor agreements for the 2026–2027 school year:

- Heger's Dairy – Milk Products
 - 2026–2027 represents the third and final renewal year of the current agreement.
- Pan-O-Gold Baking Company – Bread Products
 - 2026–2027 represents the second of three allowable renewal years under the current agreement.

The original Request for Quotes (RFQ) process resulted in one qualified bid for milk products and one qualified bid for bread products. Since the agreements were awarded, both vendors have consistently provided reliable service, quality products, and timely deliveries in support of the district's student meal programs.

Renewing these agreements will provide continuity of service and ensure uninterrupted access to essential food products for Nutrition Services operations during the 2026–2027 school year.

Recommendation

Administration recommends approval of the 2026–2027 renewal agreements with Heger's Dairy for milk products and Pan-O-Gold Baking Company for bread products.

RENEWAL 3:3 - MILK

Date: May 19, 2026

To: **Heger's Dairy** Matt Heger hegersdairy@yahoo.com 952-292-9225
8816 Highway 212, Cologne, MN

Original agreement date - July 1, 2023.

Renewal Option Extensions: July 1, 2024, July 1, 2025, & July 1, 2026.

THIS AGREEMENT, originally entered into on the 1st day of July, 2023, by and between Heger's Dairy and Waconia ISD # 110, and a Joint Power Agreement with Westonka and Shakopee school districts.

Waconia ISD 110 agreed to the terms and conditions of the Original Contract dated July 1, 2023 and will choose the renewal option of one (1) additional year, with up to three extensions if both parties are agreeable.

The Nutritional Services program of the Waconia Public School District, Waconia, Minnesota, is requesting to renew our milk delivery agreement for the 2025-2026 school year. The original agreement had the option to extend the agreement for 3 a total of additional years (2024-2025, 2025-2026, 2026-2027).

To be completed by Heger's Dairy
Escalating Pricing - The escalating price of milk is driven by surging transportation and processing costs, shifting federal pricing regulations, and tightening dairy herd pipelines

\$ 22.85 per 5 gal 1% Chocolate Milk (same as current price on 4/30/26)

\$ 25.40 per 5 gal 1% White Milk (same as current price on 4/30/26)

Customer Signature

See Attached
Vendor Signature

Date

Date

Heger's Dairy

2026-2027 Renewal Contract

School Name: Waconia ISD 110

Contact Name: Barb Schank Title: Director

Address: _____

Phone#: 952-856-4512 Email: bschank@isd110.org

Customer Signature: _____ Date: _____

Vendor Signature: [Signature] Date: 5-18-26

Escalating Pricing

5 Gallon Bags 1% \$22.85

5 Gallon Bags Chocolate \$25.40

RENEWAL 2:3 - BREAD

Date: May 15, 2026

To: **Pan 'O Gold** Jason Revenig jrevenig@panogold.com 800-444-7005
444 E. St. Germain St., St Cloud, MN 56302-0848
Michael Roman mroman@panogold.com

Original agreement date - July 1, 2024.

Renewal Option Extensions: July 1, 2025, July 1, 2026, & July 1, 2027

THIS AGREEMENT, originally entered into on the 1st day of July, 2024, by and between Pan 'O Gold and Waconia ISD # 110.

Waconia ISD 110 agreed to the terms and conditions of the Original Contract dated July 1, 2024 and will choose the renewal option of one (1) additional year, with up to three extensions if both parties are agreeable.

The Nutritional Services program of the Waconia Public School District, Waconia, Minnesota, is requesting to renew our bread delivery agreement for the 2026-2027 school year. The original agreement had the option to extend the 2024-2025 agreement for an additional 3 years (2025-2026, 2026-2027, 2027-2028).

To be completed by Pan 'O Gold

1. Sandwich Loaf Sliced Bread - $\geq 50\%$ whole grain; 20 oz, 20 slices = \$ same
2. 3.5" Hamburger Bun - $\geq 50\%$ whole grain, sliced; 60 ct = \$ +2%
3. 4" Hamburger Bun - $\geq 50\%$ whole grain, sliced; 60 ct = \$ +2%
4. Hotdog Bun - $\geq 50\%$ whole grain, sliced; 12 ct = \$ +2%
5. Steak bun - $\geq 50\%$ whole grain, sliced; 24 ct = \$ +2%

Customer Signature

Vendor Signature

Date

Date