

A Full Line, Full Service Foodservice Distributor

IN MEMORIAM: LARRY R. SORENSEN (1935 - 2005)

Cloquet, MN 55720

800-879-1265 218-879-1265

April 15, 2010

Pam Bowe, Director of Child Nutrition **Duluth Public Schools ISD 709** 215 North First Avenue East Duluth, MN 55802 (218) 336-8707 P (218) 336-8789 F Dear Pam Bowe:

Upper Lakes Foods is pleased to renew with Duluth Public Schools ISD709 for the upcoming 2010-2011 school year. The fixed fee, commodity fee, and fuel fee surcharge markup will remain the same and is based on our school/distributor partnership, current market costs, and changes in the economy since the conception of our agreement currently in place.

\$ 1.05 per case fix fee grocery

\$ 2.50 per case commodity fee multiple drops Plus the handling and storage pass through fee charge by Newport Cold Storage per case.

Upper Lakes Foods works hard at keeping costs to a minimum and with the current economic situation and we are pleased that we are able to maintain the same fix fee program for your schools. The same fuel fee surcharge markup will also be part of your renewal and also applies to commodity shipments. Please review attached Fuel Fee Surcharge Markup document.

Sincerely, Stacy Brandenburg, Upper Lakes Foods, Inc. 800-879-1265 Ext 4112 800-238-6456 Fax sbrandenburg@ulfoods.com	<u>4-15-10</u> Date	* please also sign commodity last page * thankyon! (9)
Director of Food Service, School District Director of Finance/CFO	Date	



The cost of fuel is an important variable cost for distributors.

Fuel Fee Surcharge Markup: Due to the potential for significant fluctuations in the market price of diesel fuel, Sellers reserve the right to assess a fuel surcharge on all Product deliveries as Sellers may determine necessary in their discretion. The surcharge fee, if any, will be calculated using the United States Department of Energy's Energy Information Administration ("EIA") weekly Retail On-Highway Diesel fuel survey, applicable Midwest price as published by the EIA on the third Monday of each month during the term of the Agreement (www.eia.doe.gov).

Such fuel fee surcharge markup will be effective on the first Monday of the following fiscal month. The fuel fee surcharge markup will go up and down with the EIA Average chart below:

EIA Average	Revised
\$3.750-3.849	\$0.02/case
\$3.850-3.949	\$0.04/case
\$3.950-4.049	\$0.06/case
\$4.050-4.149	\$0.08/case
\$4.150-4.249	\$0.10/case
\$4.250-4.349	\$0.12/case
\$4.350-4.449	\$0.14/case
\$4.450-4.549	\$0.16/case
\$4.550-4.649	\$0.18/case
\$4.650-4.749	\$0.20/case

In the event fuel prices exceed \$4.749 per gallon, the fee per case will adjust proportionately to the scale.

TO: **School Food Authority** FROM: Denise Sorensen / Ron Strasburg

DATE:

April 15, 2010

SUBJECT:

USDA Donated Foods (Commodities)

Upper Lakes Foods will deliver and charge the following:

\$2.00 per case

Single drop per district dry or frozen
Multiple drop per district dry or frozen

\$2.50 per case

Plus handling /storage fee charged by Newport Cold Storage of \$ TBD /case for 60 days storage.

Diverted/processed commodities:

Single drop per district dry or frozen

\$2.00 per case

Multiple drops per district dry or frozen

\$2.50 per case

Diverted/processed commodities shall be removed from ULF warehouse within 10 days after such time; a monthly fee may be applied by ULF and will be discussed in the event storage is requested.

- Delivery Schedule to be determined per individual School Food Authorities.
- ULF will not provide storage for USDA Donated Foods for extended periods of time.
- Fuel fee surcharge markup as detailed in the Renewal will be added to commodities in coordination with the chart attached.
- ULF reserves the right to review the contract addendum January 1, 2011.

DISTRIBUTOR:

UPPER LAKES FOODS, INC.

CONTACT PERSON:

DENISE SORENSEN

ADDRESS:

801 INDUSTRY AVENUE

CITY/STATE/ZIP:

CLOQUET, MN 55720

TELEPHONE/FAX:

(218) 879-1265 ext 4379 Fax (715) 392-1202

EMAIL:

denisesorensen@ulfoods.com

SCHOOL FOOD AUTHO CONTACT PERSON:	RITY:	 -
ADDRESS:		 -
CITY/STATE/ZIP:		 _
TELEPHONE/FAX:		_
EMAIL:		 _
SFA REPRESENTATIVE	SIGNATURE:	 _
DISTRIBUTOR REPRES	ENTATIVE SIGNATURE:	

INDEPENDENT SCHOOL DISTRICT NO. 709

MEMORANDUM OF AGREEMENT, made this 18TH day of

May, 2010, between Independent School District No. 709, a public corporation, in the State of Minnesota, party of the first part, hereinafter called "ISD 709", and <u>Upper Lakes Foods, Inc., 801 Industry Avenue, Cloquet, MN. 55720</u>, party of the second part, hereinafter called "Contractor",

WITNESSETH, that the said Contractor, in consideration of the covenants and agreements herein mutually entered into and under the conditions and penalties provided in the specifications hereto annexed, which specifications form an integral part of this contract and also under the penalty expressed in a bond hereto annexed, does for itself and for its successors, assigns, executors and administrators covenant, promise and agree to and with ISD 709 that Contractor shall and will at its own proper cost and expense and according to the best of its art and ability, do and perform all the work and furnish all materials (except only where otherwise especially provided herein to the contrary) which may be required in building and completing the work required: To provide food product requirements to ISD 709 Child Nutrition Program as specified in Bid-1152

Dated: 5/27/2009. All product is to be furnished in a manner acceptable to local and

Est. Amt: \$1,248,000 Brd. Approval: 06/16/2009

State regulatory agencies.

This is year two(2) of a possible two(2) year agreement, as per bid specifications and board approval, June 16, 2009 and mutual vendor agreement.

This is for the period: 7/01/2010 through 6/30/2011.

Together with all other words connected therewith or necessary thereto, in accordance with the specifications herein contained and in accordance with the plans and directions made and to be made from time to time as the work proceeds, said directions to form a part of this contract.

AUDIT:

All books, records, documents, and accounting procedures and practices of the vendor, that are relevant to the contract, are subject to examination by the state auditor. (1998 Minn. Laws chp. 386, art. 1, & 6.)

CONSIDERATION:

ISD 709, in consideration of the due and faithful performance of the covenants and agreements referred to herein and in the specifications promises and agrees that the contract price submitted to ISD 709 in Contractor's bid shall be paid to said Contractor, in full for all claims and demands, and in the manner herein provided and subject to all specified and legal conditions, forfeitures and deductions.

CONTRACT DOCUMENTS:

It is understood and agreed that this contract consists of the following:

- 1. Printed Memoranda of Agreement
- 2. Numbered Addenda
- Advertisement for Bids, Contractor's Bid and Resolution
 Awarding Contract
- 4. Plans and Specifications on File at ISD 709

- 5. Certificate of Insurance
- 6. Current Department of Labor Wage Rate Table

IN WITNESS WHEREOF, Independent School District No. 709 has caused these presents to be signed by the chair of the Board of education, and attested by the Clerk of the Board of Education, and said Contractor shall hereunto set his/her hand the day and year first above written.

	INDEPENDENT SCHOOL DISTRICT NO. 709	
	By:	
	Chair, Board of Education	
	By:	· '
	Clerk of the Board or Designee	
	CONTRACTOR	
*	By: Staly Brandenbure?	
	Its: Upper lakes Foods, Inc - Stacy Brandenbu	rg
	Date: 4-19-10	0