

Board of Trustees

Executive Summary of Board Agenda Item

Meeting Date: 12.16.25

Subject/Title for Agenda Posting: Request for Approval to Renew Interlocal Agreement with West Texas Cooperative Region 17 to support day to day purchases for the Child Nutrition Program and ensure cost savings for 2026-2027

Justification Statement: Without the continued membership to West Texas Cooperative, the Child Nutrition Program will not be able to utilize the discounts and benefits of this program for the district. If a district participates in a cooperative purchasing program, it satisfies regulation requiring it to seek competitive bids. All school districts in El Paso and the surrounding areas (except Clint ISD) are a member of the West Texas Food Service Cooperative.

Purpose of Agenda Item:

☐ Information ☒ Discussion

☒ Action

Item Type:

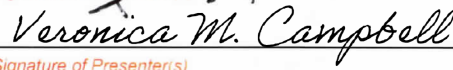
☐ Curriculum & Instruction

☐ Human Resources

☒ Business Services

Staff Responsible:


Signature of Requester(s)


Signature of Presenter(s)

Cristina Pulley

Business Services Approval (Initials)

Date

Agenda Summary:

The Interlocal Agreement is one (1) of the approved methods of purchasing allowed under Texas Education Code §44.031 and Texas Government Code Chapter 791. Per CH(Legal) A district may participate in a cooperative purchasing program with another local government of this state or another state or with a local cooperative organization of this state or another state. A school district may participate in multiple cooperatives after its Board of Trustees adopt resolutions authorizing participation.

The Child Nutrition Department requests that the Board approve the interlocal agreement with West Texas Cooperative Region 17 to continue supporting day to day purchases of the Child Nutrition Program, taking advantage of the cooperative's goal in obtaining substantial savings on specific items for member districts through volume purchasing for 2026-2027, effective August 1, 2026 to coincide with WTFSC fiscal year. West Texas Cooperative Region 17 also intends to comply with Education Department General Administrative Regulations (EDGAR), ensuring that the district will be in full compliance with EDGAR requirements. The West Texas Food Service Cooperative (WTFSC) requires that an interlocal agreement be approved by each participating District on a yearly basis.

It is recommended by administration that the Board approve the renewal of the Interlocal Agreement with West Texas
RECOMMENDATION: Cooperative Region 17 for 2026-2027

PRIOR BOARD ACTION: Yes AWARDED: 12/10/24 AWARDED AMOUNT: N/A

AMOUNT(S): N/A

ACCOUNT NO(S):
N/A

PROCUREMENT METHOD TYPE: (3 Quotes, Cooperative Contract Quotes, Sole Source, Formal Bid)
Interlocal Cooperative Agreement

REQUESTING DEPARTMENT:
Child Nutrition

CONSEQUENCES OF NON-APPROVAL:

The district will not benefit from the special pricing provided through the cooperative as well as not satisfy the Texas Department of Agriculture purchasing requirements

IMPLEMENTATION TIMELINE:

August 1, 2025

ATTACHMENT(S): ✓ CN-WTFSC02 2025-2026 West Texas Food Service Cooperative Interlocal Agreement
WTFSC Budget Letter 25-26





CANUTILLO INDEPENDENT SCHOOL DISTRICT
FINANCIAL SERVICES DIVISION/PURCHASING

Contract Routing and Approval Form

FOR PURCHASING OFFICE USE ONLY			
Contract Request Received		Assigned Contract No	
Routed for Internal Approval		Contract Fully Executed	
Routed for Vendor Approval		Notification To Proceed	

CONTRACT APPROVAL PROCESS: 1. All agreements **shall** be routed through the purchasing office. 2. Purchasing will review for compliance and determine procurement method(s). 3. Be advised that some agreements may require Legal Counsels review 4. Following final review, purchasing will route for additional signature(s), either district personnel and/or supplier. to ensure receipt of fully executed documents. 5. Purchasing will notify requestor when process has been completed.

NO SERVICES SHALL COMMENCE WITHOUT AN EXECUTED AGREEMENT AND AN APPROVED PURCHASE ORDER

IT IS THE REQUESTORS RESPONSIBILITY TO SUBMIT ALL DOCUMENTS PERTAINING TO THE SERVICE REQUESTED WITH AMPLE TIME TO ALLOW FOR FULL PROCESS. MUST INCLUDE Vendor agreement, vendor quote, vendor terms, any other docs related to the service, etc. This Contract Routing and Approval form is required to ensure we have the information needed to route documents for the necessary signatures.

THIS FORM MUST BE COMPLETED BY THE REQUESTING CAMPUS/DEPARTMENT

Must check off Contract Type: ☐ Professional Service ☐ Contracted Services ☐ Vendor Agreement ☐ Term Contract ☒ Interlocal
☐ Lease Agreement ☐ MOU ☐ MOA ☐ Construction ☐ Other _____

Campus/Department: Child Nutrition Department

Campus/Department Contact person: Marco Macias, Child Nutrition Director

Contact Number: (915) 877-7451

Requestors email: mamacias@canutillo-isd.org

Contract Title: 2026-2027 West Texas Food Service Cooperative Interlocal Agreement

Contract Description: Cooperative membership which will allow the district 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.

VENDOR INFORMATION – MUST PROVIDE ALL INFORMATION LISTED BELOW: Required to obtain all necessary signatures.

Vendor/Company Name: West Texas Food Service Cooperative - Region 17 ESC

Vendor Full Address: 1111 West Loop 289, Lubbock, TX 79416

Name of Representative: Dorothy Glenn representatives' email: dglenn@esc17.net

Rep. Office Phone: (806) 281-5710

Rep Mobile Number: _____

Vendor's Authorized Signer: Dorothy Glenn

Signer's email: dglenn@esc17.net

Contract Amount: N/A

Funding Source: N/A

Account No(s): N/A

Anticipated Start Date: August 1, 2026

End Date: July 31, 2027

Is this a New Agreement? ☒ Yes ☐ No

Is this Agreement a renewal? ☐ Yes ☒ No If yes; specify the reason for renewal, what is it replacing? _____

Agreement Term: One year

Does agreement term include renewal options? ☐ Yes ☒ No

If yes, specify renewal options: _____

Does agreement require Insurance coverage? ☐ Yes ☒ No **If yes, route agreement to Human Resources department for review, and to provide the necessary insurance requirements.**

Human Resources staff review: _____

Date: _____

By signing this approval request form, I, the budget authority confirm that the agreement attached has been reviewed and all necessary documents pertaining to this agreement are being submitted.

Budget Authority Signature: [Signature]

Date: 11-7-25

☐ **Attachments: Must submit vendor agreement and all pertaining documents, quotes, etc., with this routing form.**

Purchasing review: _____



**West Texas Food Service
Cooperative**

Growing Successful Partnerships

To: West Texas Food Service Cooperative Members
From: Dorothy Glenn WTFSC Lead Purchasing Specialist
Subject: Budgets and Pricing

The West Texas Food Service Cooperative (WTFSC) has always worked hard to control costs to provide our members stable pricing. However, despite our efforts to hold costs down the nation is experiencing a significant price increase for SY25-26.

Key contributing factors that impact price increase include:

- Labor
- Increased raw material costs
- Warehousing & Storage
- Industrial needs such as electricity

The entire supply chain is being impacted. From farms to ranches to processing facilities to distribution facilities as well as similar industries like restaurants and health care facilities. Cost increases are being felt nationwide not just locally.

We expect these increases to continue but we will leverage our buying power to keep increases to a minimum. We will continue to monitor the industry and trends and provide updates to our members.

Thank you for loyalty over the years. Together we can work thru these obstacles and continue to provide our students healthy meals.

Sincerely,

Dorothy Glenn

West Texas Food Service Cooperative



West Texas Food Service Cooperative

Growing Successful Partnerships

Market Overview:

- Increased ingredient and micro costs
 - Eggs in last 12-month increase of 3.7%
 - Beef up over 20%
 - Cheese up over 14%
- Warehousing, Industrial Needs, etc.
 - Industrial Natural Gas up 9.9%
 - Warehousing & Storage up 3.88%
 - Shortage of employees continues to be an issue.
- Transportation cost
 - Shortage of truck drivers in the US causing to go up 30%
- Labor up over 8%

Market Overview:

The index reflects a 5.1 increase based on the Food Away from Home CPI.

Market Dynamics

- While there has been some global market stabilization in recent months, the external environment remains volatile with frequency of risks elevated above pre-pandemic levels (i.e. weather events, geopolitical strain, financial strain)
- **Packaging:** Supply balancing to demand, yet feedstock/energy and ecommerce keeping prices elevated.
- **Agriculture:** Labor, freight, and less than ideal weather driving higher prices
- **Grains:** Global prices back to pre-Ukraine invasion levels, harvest adding additional pressure on prices. Cost of production is elevated and will provide price support.
- **Transportation/Labor/Manf:** Higher cost for labor and equipment keeping transportation contract prices elevated.
 - Lower labor force participation rates and competition across industries for labor continue to drive increased labor costs. General inflation drives up labor costs as wages attempt to keep up with inflation



Wheat

Some global market stabilization. However, volatility remains given US milling wheat regions were hit with very poor drought conditions.



Corn

Some global market stabilization & lower demand from China has allowed for recent price moderation vs. CY 2021 & 2022.



Fats/Oils

Production recover and lower demand pressure prices despite increase in biofuel mandates



Packaging

Supply balancing to demand, yet feedstock/energy and ecommerce keeping prices elevated



Transportation

Higher cost for labor and equipment keeping transportation contract prices elevated.

CN-WTFSC02

2025-2026 West Texas Food Service Cooperative Interlocal Agreement

1/9/2026-7/31/2027

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



West Texas Food Service Cooperative

Growing Successful Partnerships

Procurement Procedures

1. Gathering of Products for RFP (Request for Proposal also known as Bid)
 - a. Velocity reports are run on currently awarded products to determine more frequently used items.
 - b. WTFSC Members are asked to submit any items (new) they want on the new RFP.
 - c. Product documentation on all items is collected to have the most current information.
 - d. Based on all above information, bid specifications are written. Bid specifications allow for "free and open completion". Velocity on products is provided as best determined; however, "Piggy Back" clause allows for fluctuation.
 2. RFP Notification and Release
 - a. Legal Notice is placed in various media/advertising forums. The notice will run for two consecutive weeks, the first week during the initial release of the RFP and the following week.
 - b. WTFSC utilizes BidForge to upload all bid specifications and the entire RFP. This includes all documents that are required for bid submission.
 - c. Invitations (tokens) are emailed to all approved vendors to bid on the RFP.
 - d. Vendors bidding must submit by the due date both a hard copy and enter all required information into BidForge to be considered eligible.
 3. Opening of Bid
 - a. Received Proposals are in a specified location and stamped with date of receipt. Any proposal received after the "due" date is considered "not eligible".
 - b. At the specified time and day on the RFP, all Proposals are opened and announced. This meeting is open to anyone.
 - c. All eligible Proposals are reviewed to insure that all required documents are in hand.
 4. Award Process
 - a. An Award Meeting is held consisting of the West Texas Food Service Cooperative Advisory Board Members and the Region ESC Child Nutrition Specialists Representatives.
 - b. All submitted items are loaded on a "google document" for the board to review pricing.
 - c. The "8-Criteria" scoring sheet is asked to be filled out for each bidder if possible. (See next page(s) for further explanation)
 - d. After the two-day meeting, the results are sent to all WTFSC members to further award any other vendor and item.
 - e. All is tabulated and vendors are awarded or non-awarded.
 - f. The award catalog is composed and posted on the WTFSC website.
- **West Texas Food Service Cooperative (Region 17 ESC) proposals are competitively bid under Section 44.031 of TEC in compliance with EDGAR and USDA procurement regulations.**
- **2 CFR Part 200 is followed to meet all guidelines.**



West Texas Food Service Cooperative

Growing Successful Partnerships

Evaluation Guidelines

1. Award Meeting is set up by the Co-op Coordinator.
 - a. Advisory Board Members & Region ESC Representative(s) are asked to attend
2. Packages containing below contents is provided to each attendee:
 - a. Copy of the Non- Disclosure and Conflict of Interest Statement
 - b. Copy of Evaluation Briefing document (attachment C)
 - c. Copy of each responsive response received
 - d. Evaluation Scoring Matrix (hard copy and link to on-line program)
3. Review the Evaluation Briefing document (attachment D)
4. Explanation of scoring process and walk through the evaluation scoring criteria to ensure each participating member understands how the criteria works and how the responses will be evaluated (attachment E)
5. Evaluation process will begin. Coordinator will be available during the process to answer any questions that may arise and ensure proper procedures are followed. A deadline will be set for all to complete evaluations.
6. Once all evaluations are complete, the evaluation scoring material is submitted to the Coordinator and maintained in the procurement file



West Texas Food Service Cooperative

Growing Successful Partnerships

Evaluation Briefing

1. Advisory Board members must be independent and objective, without any conflict of interest.
2. Each Advisory Board member's participation should not create even the appearance of impropriety.
3. Each Advisory Board member must comply with the agency and State's conflict of interest disclosure policies.
4. Each Advisory Board member must sign the *Evaluation Committee Member Non-Disclosure and Conflict of Interest Disclosure Statement*.
5. Each Advisory Board member must be knowledgeable about the matter under evaluation and add value to the process.
6. All Advisory Board member's will try to attend every evaluation meeting, each oral presentation, and all site visits to respondent premises.



West Texas Food Service Cooperative

Growing Successful Partnerships

Evaluation/Scoring

1. Each Advisory Board member will independently and impartially score each response using only the evaluation factors and weights identified in the solicitation
2. Scores are not divulged between Advisory Board members (members may ask questions if they are unable to find information, do not understand information in a response, or require the technical assistance of other members)
3. Evaluations by the Advisory Board members are based solely on the written responses, oral presentations or other factors as instructed by the Co-op Coordinator
4. Advisory Board members may not conduct their own independent research on respondents (such as online research) and may not consider any independent research or other extraneous information in their scoring
5. With approval of the Co-op Coordinator, Advisory Board may appoint one or more members to assist with specific administrative tasks (such as checking references) which are allowable under the solicitation
6. Each Advisory Board member will record the scores for each response on the scoring criteria provided by the Co-op Coordinator
7. Some solicitations may involve multiple scoring rounds to narrow the competitive field the Co-op Coordinator will brief the Advisory Board if the solicitation involves that possibility
8. The Advisory Board may determine that requests for oral presentations by all or only the top-rated respondents are desirable and consistent with the solicitation, the Co-op Coordinator will notify the respondents about oral presentations
9. The chair will tally the individual committee member's evaluation scores and provide the committee with a master score sheet showing the total scores
10. Each Advisory Board member will review the master score sheet to verify the accuracy of the scoring
11. Advisory Board members will not lobby each other to change scores; however, the Co-op Coordinator may discuss the portions of the responses from which the scores were derived to ensure that each member understood that portion of the solicitation and the response
12. The Co-op Coordinator will verify that the appropriate method of scoring was used by each Advisory Board member
13. The Co-op Coordinator will prepare, sign and date the Advisory Board's master score sheet
14. The Co-op Coordinator will prepare the appropriate internal approval memo (e.g., recommendation of tentative contract award memo, recommendation to narrow the competitive field memo, recommendation to cancel procurement)
15. All evaluations and responses are highly confidential and may not be disclosed
16. Advisory Board members may not communicate with respondents or anyone else outside the Advisory Board members regarding the responses received or the evaluation process without prior approval of the Co-op Coordinator

Criteria	Comments	Allowed Percentage	Further Explanation
Purchase Price	Price percentage calculated on formula: Low Bid/Low Bid x 40%; Low Bid/2nd Low Bid x 40%, etc.	40%	Price for each submission is compared. Lowest price receives 40%, next lowest is approximated based on comparison to lowest bidder and so forth
Reputation of Vendor and of the vendors goods/services		8%	If new vendor submits a proposals following steps will take place: WTFSC will ask vendor to submit references. WTFSC will then survey references. Questions will include all criteria factors. Vendor will be evaluated on survey results. This insures that WTFSC is open to new competition.
Quality of Vendor's Goods/Services		15%	
Vendor's Past Relationship		2%	If new vendor submits a proposals following steps will take place: WTFSC will ask vendor to submit references. WTFSC will then survey references. Questions will include all criteria factors. Vendor will be evaluated on survey results. This insures that WTFSC is open to new competition.
Extent to which goods/services meet district needs		15%	
Impact of ability of the district to comply with laws and rules relating to historically underutilized businesses		5%	
Long term cost to acquire goods	Renewals, Length of time prices are guaranteed/good	5%	
Any other relevant factors in the request for bids or proposals	Supporting Documents, Service Area,	10%	

100%

Guide to Scoring Scale

VENDORS MUST RECEIVE A SCORE FOR EACH CRITERIA. A
VENDOR CANNOT SCORE ZERO.

A = Excellent performance (score equivalent of 100)

B = Good performance (score equivalent of 85)

C = Satisfactory performance (score equivalent of 70)

D = Unsatisfactory performance (score equivalent of 65)

F = Extremely unsatisfactory performance (score equivalent of 50)