

**BEMIDJI AREA SCHOOLS
BEMIDJI, MINNESOTA**

DATE: JUNE 26, 2023

TO: ISD #31 BOARD OF EDUCATION

FROM: ASHLEY EASTRIDGE, CPA, DIRECTOR OF BUSINESS SERVICES

SUBJECT: MILK BIDS FOR 2023-2024 AND 2024-2025

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 2023-2024 and 2024-2025 years. Only one bid was received. The bid was from Performance Foodservice. A recap of the bid is listed below:

CARTONS:

Half Pint – skim	250,000	approx. .32 ea.	\$16.00	\$ 80,000.00
Half Pint – 1%	250,000	approx. .33 ea.	\$16.50	\$ 82,500.00
Half Pint – choc skim	400,000	approx. .35 ea.	\$17.50	<u>\$ 140,000.00</u>
				\$ 302,500.00

The milk prices have increased from the previous years with an estimated cost increase to the district of \$73,500 per year, which equates to approximately 32%.

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:

Half Pint – skim	250,000	approx. .32 ea.	\$16.00	\$ 80,000.00
Half Pint – 1%	250,000	approx. .33 ea.	\$16.50	\$ 82,500.00
Half Pint – choc skim	400,000	approx. .35 ea.	\$17.50	<u>\$ 140,000.00</u>
				\$ 302,500.00

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. <u>.32</u>	<u>\$80,000.00</u>
Half Pint – 1%	250,000	approx. <u>.33</u>	<u>\$82,500.00</u>
Half Pint-Choc Skim	400,000	approx. <u>.35</u>	<u>\$140,000.00</u>

2. The above bids are based on the Class I Federal Order # 30
Price for raw milk announced for May 2023
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: Performance Foodservice 5-18-23
Name Date

13400 Commerce Blvd
Address

Rogers, Mn 55374

SIGNATURE: 