



Marilyn Splinter, RD, LD
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Independent School District 877

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To: ATTN: School Specialist

From: Marilyn Splinter
Director of Food Service

Date: March xx, 2013

Subject: Request for Service Proposal – Food Service Primary Vendor

Proposal Opening: Monday April 1, 2013 10:00 a.m. DST
Buffalo-Hanover-Montrose Schools ISD 877
District Administration Office
214 – 1st Avenue NE
Buffalo, Minnesota 55313

Proposals will be opened publicly and totals read aloud at the above time and place. Proposals received after 10:00 a.m. DST will be returned unopened. Envelopes containing proposals must be sealed, marked on the lower left-hand corner "Sealed Proposal Enclosed" with the name and address of the Vendor and the date and hour of the opening and addressed to: Director of Food Service, Buffalo-Hanover-Montrose Schools ISD 877, 214 – 1st Avenue NE, Buffalo, MN 55313.

Pre-proposal Meeting: Monday March 11, 2013 10:00 a.m. DST
Buffalo-Hanover-Montrose Schools ISD 877
District Administration Office
214 – 1st Avenue NE
Buffalo, Minnesota 55313

Vendor representation at the pre-proposal meeting is a prerequisite for a proposal to be considered.

Duration of Proposal: Twelve Months (July 1, 2013 through June 30, 2014)

Proposal Formulation:

1. The proposal will be formulated using a fee per case to calculate the sell price. A supplier's invoice costs shall reflect promotion allowance, or bid allowances, the benefits of which shall accrue to the purchaser. Cash discounts, label allowances, and group allowances shall accrue to the benefit of the distributor. Cost prices shall be based on "delivered to distributor's warehouse". Costs shall be based on the "latest invoices", either prior to merchandise being delivered to the purchaser, or in stock as the case may be, or as the result of manufacturer bids.

Two methods of calculating the fee per case will be submitted by the Vendor.

A. Fixed Fee: the fee/case will remain firm for the duration of the agreement.

B. Variable Fixed Fee Rate: fee/case plus an increment for a fuel surcharge, calculated using a specified scale, based on the diesel fuel prices published by the U.S. Department of Energy, Midwest Region.

2. The proposal submitted on April 1, 2013 will be formulated using the distributor's costs for the week of March 18-22, 2013. Cost information will be available for audit upon request by the District.
3. The proposal submitted on April 1, 2013 will be formulated with 2013-14 Distributor Allowances.
4. The proposal will be submitted in the format specified by the District.
5. The proposal must be made out and signed in the firm's name or corporate name of the Vendor and must be fully and properly executed and signed by an officer or other authorized representative, whose title is to be stated. One original clearly marked as such and one copy of the proposal is requested.
6. The successful Vendor agrees to comply with all Federal, State and local laws, ordinances and all applicable rules, regulations and standards established by any agency of such governmental units which relate to the company's performance of the provisions of this agreement.
7. The successful Vendor will secure "school bid pricing" from manufacturers for all product purchased by the District during the term of the primary Vendor agreement and any ensuing extensions.
8. The District, by participating in the National School Meals Program, is required to purchase domestic commodities and products to the maximum extent practicable. Domestic products are those that are produced in the United States and those that are processed in the United States substantially (at least 51%) using agricultural commodities produced in the United States.
9. The District is tax exempt.
10. Undisputed invoices for product delivered to the District will be paid within thirty days. The Vendor will provide credits to the District promptly.
11. The selected Vendor will purchase and maintain appropriate insurance to protect the District from potential claims resulting from the contractor's execution of the contract.

12. Pricing will be submitted for all items listed in the District's market basket document. Alternates or "equals" must receive prior approval by the District. Such request must be made in writing with supporting product documentation by 10:00 a.m. Tuesday March 19, 2013. The District will determine the acceptability of any alternate or "equal".
13. Vendor will designate the length of time the prices will be held firm for each item listed.
14. The successful Vendor will provide the District with a list of total selling price changes monthly and updated order guides with price changes indicated. Price change schedule will be agreed upon by the District and the Vendor.
15. All product delivered to the District will have successfully complied with the Vendor's HACCP plan. The Vendor will deliver product to the appropriate storage area; frozen, dry or refrigerate.
16. Deliveries will be made on a consistent basis to school locations. The Vendor will be provided card key access to each school. The District prefers deliveries outside of the regular school day. The schedule will be negotiated and agreed upon by the District and the Vendor. Each school will have a minimum of one delivery per week. Two deliveries per week will be required for large schools with high volume of product required. There will be no minimums for regular deliveries or special deliveries; however the District and the successful Vendor will develop order volume guidelines.
17. The items listed on the proposal form represent the majority of the highest volume items purchased in the past. The market basket items DO NOT include Minnesota School Foodservice Buying Group (MSFBG) Bid Awards for 2012-13. The market basket list is a sample of items that are usually purchased not an entire list. The items on the market basket list represent items purchased on a regular and repeating basis.
18. The volume stated on the proposal form is not a request for, or commitment to, purchase. It is an example of volume used by the District this school year.
19. The items to be purchased and order guides will be developed with the successful Vendor. The order guides will include the MSFBG items the District committed to for the upcoming year.
20. For budgeting and planning purposes, general school pricing for all items in the distributor's inventory will be provided to the District.
21. The District intends to purchase approximately 90%, a value of approximately \$850,000, of items needed for the National School Breakfast and Lunch Programs from the successful Vendor, excluding fluid milk and bread.
22. The District will define the scope and frequency of required reports with the successful Vendor.
23. The District may terminate the contract with thirty days notice, or immediately with just cause.
24. The District may extend the contract for no more than four twelve-month periods with mutual agreement with the successful Vendor.

25. Price will not be the sole determining factor. The Vendor's past performance, order fill rate, ability to provide preferred products, web-based order entry, product specifications, ingredient documentation, nutrient specifications, rebate tracking, and other support service available will also be considered.
26. The District and Vendor will determine appropriate methods of dealing with product changes, outs, shorts, delays and substitutions.
27. The District intends to award the Primary Vendor Service Agreement and the USDA Commodity Delivery Agreement to one Vendor.
28. The District and Vendor will determine the best practices for forecasting product use. The District expects the Vendor to use past performance, meals served and usage reports to facilitate the process.
29. The Vendor will electronically submit commodity rebate requests to MDE/FNS on a designated schedule.
30. The District requires references of School Food Authorities which the Vendor services as their Primary Vendor. The references are to include the School Food Authority name and number, contact person, address, telephone number and e-mail address.
31. The District reserves the right to audit transactions and Vendor records upon request.
32. Proposals may not be withdrawn within thirty days after the scheduled closing time for receiving proposals. The District reserves the right to reject any or all proposals and to waive any irregularities.
33. The primary Vendor service award will be reviewed by the Board of Education at the April 22, 2013 meeting.