

School Board Meeting:

January 19, 2009

Subject:

Call for Bid - Food Service
Primary Vendor

Presenter:

Chuck Klaassen, Marilyn Splinter

SUGGESTED SCHOOL BOARD ACTION:

Board approval to call for bids for primary vendor for the school meals programs.

DESCRIPTION:

The food service primary vendor agreement with Upper Lakes Foods ends June 30, 2009. The district needs to conduct a primary vendor bid to determine the vendor for the coming school year.

The primary vendor contract is determined through a sealed bid process. The primary vendor agreement is a fee for service contract. The bid is for the fee the broadline distributor, such as Upper Lakes Food, Sysco or Reinhart, will charge the district to deliver designated items to the specified location within the agreed upon time frame. The agreement is for two years with an option of one two year extension.

We anticipate a significant increase in the fee per case for 2009-11 contract. The primary vendor agreement with Upper Lakes Foods is completing the fourth year of the current contract, with the same fee per case, \$0.85. We have revised our business practices to be better partners with the distributor to operate in an effective and efficient manner. We were able to secure the final extension allowed in the current contract by decreasing deliveries to the elementary schools to once a week and taking an alternate delivery time. The utilization of card key access has allowed us to take delivery at any time, on any day. We no longer have to reroute a truck to accommodate a holiday or a day school is closed. Product is delivered to the correct storage temperature by the delivery driver. The food manager checks in the delivery when they arrive at work. This has worked very well this school year and we look to continue with the next primary vendor contract.

The primary vendor agreement is utilized, in addition to, the Minnesota School Food Service Buying Group, to effectively purchase 90% of the food for the school meals program. The Buying Group conducts a sealed bid process, through joint powers agreement with Anoka-Hennepin School District, to secure the price for schools from the manufacturer. The Buying Group's bid price plus the primary vendor fixed fee equals the district's invoice cost.

Attachment: Call for Bid