

District School Board of Pasco County

20430 Gator Lane • Land O' Lakes, Florida 34638 • 813/ 794-2221

Heather Fiorentino, Superintendent


www.pasco.k12.fl.us

Department of Purchasing
Kendra Goodman, CPPO, CPPB, Purchasing Agent
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352/ 524-2221 e-mail: kgoodman@pasco.k12.fl.us

December 6, 2011

MEMORANDUM

TO: Honorable School Board Members

FROM: Kendra Goodman, CPPO, CPPB, Purchasing Agent 

RE: Second Year Renewal of Three-Year Contract
Bid #11-085-DR: USDA Commodity Tomato Paste (Tote) Processing
Red Gold, LLC

On July 5, 2011, official action (attached) was taken to award the above-referenced bid to Red Gold, LLC. This bid is a three-year contract, renewable annually based upon mutual consent of both parties. The first year of the agreement will expire on June 30, 2012.

Considering services have been satisfactory, David Halt, Foodservice Director, Red Gold, LLC, was contacted to verify his willingness to enter into the second year of the agreement. As such, David Halt has agreed in writing (attached), to enter into the second year of the contract with a price increase of 5%. The increase is based on the monthly producer price indexes published by the Bureau of Statistics, U.S. Department of Labor using 50% weighting from Industry Data Series ID: #PCU48412-48412-, and 50% weighting from Industry Data Series ID: #PCU311---311---, using the month of May, final version. The annual percentage change in the Producer Price Index is based on the May, 2011 index for the third contract year, as stated in the bid document.

USDA timeline for school districts to place orders for commodity foods and identify processing manufacturers is January 13, 2012 for the 2012/2013 school year. Due to the USDA timeline, it is necessary to renew commodity processing bids six (6) months prior to the term of the contract. Purchase orders and product orders through distributors will not be placed with awarded vendors prior to July 1, 2012. This bid in no way affects contracts already in place for the 2011/2012 school year. Because of the USDA timeline, Food and Nutrition Services is requesting permission from the Board to renew Bid #11-085-DR: USDA Commodity Tomato Paste (Tote) Processing six months prior to term of contract.

On July 5, 2011, official action was taken to award the bid for term date of August 1, 2011 through July 31, 2012. This date is incorrect. The correct Term of Contract should read: "The first year of the contract is effective July 1, 2011 through June 30, 2012."

Therefore, at this time, it is my recommendation to enter into the second year of the agreement with Red Gold, LLC. The second year of the contract will cover the period of July 1, 2012 through June 30, 2013. Should you have any questions regarding this matter, or if I can be of further assistance, please feel free to contact me at your earliest convenience.

KDG/dr



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BID RENEWAL REQUEST

BID #11-085-DR

BID TITLE: USDA Commodity Tomato Paste (Tote) Processing

X

Yes, I agree to renew Bid #11-085-DR under the same terms and conditions as the existing bid with a price increase of 5%. The second year period shall be from **July 1, 2012 through June 30, 2013.**

No, I do not agree to renew Bid #11-085-DR

COMPANY NAME: Red Gold, LLC

SIGNATURE: David J. Halt

TYPED NAME AND TITLE: David Halt, Foodservice Director

TELEPHONE (WITH AREA CODE): 765-754-7527

FAX NUMBER (WITH AREA CODE): 765-754-3145

E-MAIL: dhalt@redgold.com

DATE: _____

The prospective bidder certifies, by submission and signature of this bid renewal form, that neither it nor its principals are presently debarred, suspended, proposed for debarment, declared ineligible, or voluntarily excluded from participation in this transaction per the provisions of Florida Statute 287.133(2)(a).

PLEASE FAX BACK TO: DISTRICT SCHOOL BOARD OF PASCO COUNTY
ATTENTION: Debra Reaves, Buyer Assistant
 PURCHASING DEPARTMENT
 20430 GATOR LANE
 LAND O' LAKES, FL 34638
 (813) 794-2219 (PHONE)
 (813) 794-2111 (FAX)

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Bid Recommendation

Bid Title	USDA Commodity Tomato (Paste) Processing	Number of Vendors Notified	61
Bid Number	11-085-DR	Number of Bids Distributed	5
Date Solicited	5/20/2011	Number of Vendors Bidding	1
Date Opened	6/15/2011	Number of Formal "No Bid" Responses	0
Date Board Presentation	7/5/2011	Funding Source	Special Revenue
Total Savings	\$ 1,500 Approximate	Grand Total of Bid	\$160,000 Estimated Annual Expenditure

Recommendation: Recommend acceptance of bid as noted on attached bid tabulation as lowest and best responsive, responsible bid meeting written specifications.

Term of Contract: This is a three-year bid renewable annually by mutual consent of both parties. The first year of the contract is effective August 1, 2011 through July 31 2012.

Notations and Exceptions: Recommend acceptance of sole bid from Red Gold, LLC. as the "lowest and best" responsive and responsible bid meeting written specifications. Vendors must be USDA Certified which limits the number of vendors that are qualified to bid. Although we received only one bid for these services, research shows it is in line with previous bid prices.

P.O.W.E.R. Buying Group is made up of the following 37 school boards: Bay County, Brevard County, Broward County, Calhoun County, Charlotte County, Citrus County, Collier County, Desoto County, Flagler County, Franklin County, Glades County, Hardee County, Hendry County, Hernando County, Highlands County, Indian River County, Lake County, Lee County, Leon County, Levy County, Marion County, Martin County, Miami-Dade County, Monroe County, Nassau County, Okaloosa County, Okeechobee County, Orange County, Osceola County, Pasco County, Santa Rosa County, Sarasota County, Seminole County, St. Johns County, St. Lucie County, Sumter County, Volusia County, and The Villages Charter. Individual School Boards are responsible for their own orders, etc.

Total savings were based on percentages of current commercial and historical bid pricing.

Offers from the vendors listed herein are the only offers received timely as of the specified opening date and time. All other offers submitted in response to this solicitation, if any, are hereby rejected as late.

Bids Evaluated By: Julie Hedine, Supervisor for Food & Nutrition Services

Bids Prepared By: Debra Reaves, Buyer Assistant

Reviewed and Authorized By: Kendra D. Goodman, CPPO, CPPB, Purchasing Agent

District School Board
of Pasco County

Date/Time: June 27, 2011 11:18:00

JUL 05 2011

Board Approved