

THE SCHOOL BOARD OF MARTIN COUNTY, FLORIDA

2845 SE Dixie Highway, Stuart, Florida 34997-5037, Telephone: (772) 219-1255 Ext: 201 Fax: (772) 219-1267



Office Of: John Klatt, Director of Purchasing & Warehousing

MEMO

TO: Rae Hollenbeck, Director Food and Nutritional Services
FROM: John Klatt, Director of Purchasing, Warehousing, Property, and Reprographics
DATE: May 17, 2006
SUBJECT: **CONTRACT ADMINISTRATION for FOOD AND SUPPLY DISTRIBUTION SERVICES FOR THE P.O.W.E.R. BUYING GROUP. MCSD RFP 5001-0-2006/JK**



Attached is the exhibit and recommendation/tabulation for the award of FOOD AND SUPPLY DISTRIBUTION SERVICES FOR THE P.O.W.E.R. BUYING GROUP. MCSD RFP 5001-0-2006/JK. The School Board approved the award 5/16/06, Ex. # 12-E-1. This information can also be obtained from the Purchasing web site, <http://purchasing.sbmc.org> select the link Board Approved Contracts.

The RFP award includes firm fixed prices thru January 1, 2007 for 109 line items from the high use "Product Bid Summary Sheet, Attachment A", and 8 items from the "Product Bid Summary Sheet, Attachment B". Although the Board accepted our award recommendation, you must receive and accept firm fixed prices on the balance of "Product Bid Summary Sheet, Attachment B" items before the award process is complete. Please forward a copy of accepted, priced "Attachment B" items as soon as they have been reviewed and approved by the evaluation committee. The contract period is 7/3/06 through 6/30/2011 with three additional one-year renewal options. The contract may be canceled at any six-month resolicitation interval if the awarded vendor fails to perform in accordance with contract terms. Your ongoing contract administration responsibilities, as the Director of Food and Nutritional Services for the Lead Agency for this Cooperative solicitation are as follows:

- 1. Communications:** Communication with and decisions of The P.O.W.E.R. Buying Group, (Group), pertaining to this contract will be disseminated through the School District of Martin County except for communications, information and reports specific to each member district.
- 2. Product Bids:** The contractor must provide the Director of Food and Nutritional Services for the Martin County School District with an initial list of cost changes at least five (5) weeks prior to January 1 and July 1 of each contract year. The Group must review and approve all price increases.

Dr. Sara A. Wilcox, Superintendent

School Board Members: *Dr. David L. Anderson • Susan J. Hershey • Laurie Gaylord • Nancy Kline • Lorie Shekailo*
"An Equal Opportunity Agency"

- 3. Cost Audits:** The Group must audit costs prior to the anniversary date of every each six month period by requesting the distributor to provide confirmations of delivered costs from manufacturers or freight haulers. Audits may be conducted on a sample of items or on all items, at the option of The Group. Product cost may be audited throughout the duration of the contract, and up to 4 years after termination of the contract at the discretion of the District or any individual member district of The Group. The Group's audit must include "Allowable Costs", (costs paid to the contractor net of discounts, rebates, and other applicable credits including, but are not limited to, price reductions due to product promotions, volume purchasing, on-line ordering or other electronic ordering systems, and prompt payments or advance payments), and any "Net off Invoice or Value Pass Through Costs.
- 4. Product Testing Program:** The Group will maintain an ongoing product testing program as described in Attachment J-A, open to manufacturers, representatives, or other potential sources of supply. Evaluations of at least 20 alternative products will be conducted in accordance with the Product Testing Program as described in Attachment J-A, within six months of award of the contract. The Evaluation Committee will document reasons for non acceptance of any alternative products offered by the awarded contractor(s) but not accepted, in accordance with the Product Testing Program as described in Attachment J-A. The President or designee will maintain a list of requests for products to be evaluated and will inform petitioners of the estimated timing and status of their evaluation requests.
- 5. Records & Retention:** The Director of Food Service for the Martin County School District shall be responsible for maintaining documentation of all required audits, product test requests, product test results, and records of vendor performance throughout the effective dates of the contract, any renewals and the required retention period after the contract is closed. These records shall be furnished to the Director of Purchasing at each six month anniversary of the contract to be included in the RFP file. They will be used to evaluate and document contract compliance and develop subsequent solicitations.

In addition, you must verify the accuracy of the products, prices and quantities billed prior to approving payment for any items provided to the MCSD in accordance with this award. When entering requisitions, logging P-Card transactions or otherwise approving payment, reference the bid number, Board approval date, and exhibit number. Note, do not exceed the estimated annual budget amount of \$1,500,000.00. If an increase is necessary, the School Board will need to approve it before any purchase is authorized.

JK/ Attachments; Award recommendation, Attachment J-A

c: Jeff Carver, Purchasing Manager

Frank Mullins, Director of Food and Nutritional Services, IRCSD, Current President P.O.W.E.R. Buying Group