

EXECUTIVE SUMMARY

Recommendation for Renewal 15-011V – Milk and Other Dairy Products for Cafeterias

The School Board of Broward County, Florida (SBBC), awarded the Invitation to Bid (ITB) 15- 011V - Milk and Other Dairy Products for Cafeterias on May 20, 2014, for three (3) years August 1, 2014 through July 31, 2017. The first option to renew the contract was approved by the School Board on March 21, 2017, for an additional one (1) year period from August 1, 2017 through July 31, 2018. This contract is utilized by the Food & Nutrition Services Department to procure milk and other dairy products for school cafeterias. School lunch, breakfast, after-school snacks, and supper programs must meet meal patterns and nutritional standards based on the United States Department of Agriculture (USDA) guidelines.

The purpose of providing dairy products is to provide nutritional value to students while meeting dietary guidelines. School lunch, breakfast, after-school snack, and supper programs must offer only pasteurized fluid types of fat-free and low-fat (one percent) milk. All milk contains vitamins A and D at levels specified by the Food and Drug Administration. Food & Nutrition Services department managers place orders for these products on an as-needed basis and according to a schedule based on meals planned.

Food & Nutrition Services department is requesting approval to exercise the ITB's second (and final) contract renewal for an additional one (1) year period from August 1, 2018 through July 31, 2019. This ITB includes an option to renew the contract term per Section 4, Special Condition 5 - Contract Renewal: "The term of the bid shall be for three year(s), and may, by mutual agreement between SBBC and the Awardee, be renewed for two additional one-year periods and, if needed, 90 days beyond the expiration date of the final renewal period." The ITB's awarded vendor, Food Fantasies Incorporated d/b/a Frozen Treats, has accepted the request to renew the contract.

Based on budgetary and usage analyses, Food & Nutrition Services have identified that there won't be a need to request additional spending for the additional twelve (12) month period. Food & Nutrition Services issues open purchase orders (PO's) at the beginning of the fiscal year that are used/consumed based on demand for the products. Open PO's are closed at fiscal year-end, and unused monies roll over to be used in the next period. At fiscal year-end 2017-2018, and upon PO-closing activities, Food & Nutrition Services projects that \$7,000,000 will remain in the bid's unused spending authority and this will be sufficient funding to cover the twelve (12) month renewal.

This recommendation for renewal is in the best interests of the District to benefit from fixed prices and continuity of service, in as much as the Consumer Price Index (CPI), as of December 2017 indicated an increase of zero-point one (0.1) percent. Staff has indicated that vendor performance is satisfactory and recommend the extension and continuation of services with the awarded vendor. Surveys were compiled with responses provided by Food & Nutrition Services department managers who provided feedback on the products and delivery services provided by the awarded vendor. Based on the results of the customer satisfaction surveys, a total of one hundred and sixty-eight (168) responses were received with ninety-six (96) percent rating customer services and product delivery as excellent, very good, or good.

Prices were benchmarked against neighboring counties Miami-Dade County Public Schools (MDCPS) and the School District of Palm Beach County (SDPBC). In comparing the three (3) contracts, it was found that consistent with previous year's findings; major differences remain in several special conditions that impact costs. SBBC, for instance, requires more frequent deliveries and also requires that milk coolers are provided and maintained by the awardee. After factoring in the differences in the special conditions, the prices in the contract for SBBC remain comparable or lower for similar items. Procurement & Warehousing Services, in collaboration with the Food & Nutrition will begin work on a new competitive solicitation before the contract's expiration date of July 31, 2019.