SCHOOL BOARD ACTION REPORT



DATE: May 19, 2017

FROM: Dr. Larry Nyland, Superintendent

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For Introduction: June 7, 2017 **For Action:** June 28, 2017

1. TITLE

Approval of the third year renewal of contract B01539 with Duck Delivery for Fresh Produce for the 2017-18 school year.

2. PURPOSE

The purpose of this action is to comply with Policy No. 6220, Procurement, as this action exceeds the \$250,000 threshold; and to ensure that the district has continuous delivery of fresh produce for the Nutrition Services program for the 2017-18 school year.

3. RECOMMENDED MOTION

I move that the School Board authorize the Superintendent to execute the renewal of contract B01539 with Duck Delivery in the amount of \$900,000.00, for the provision of fresh produce for the 2017-18 school year, in the form of the draft Agreement attached to the School Board Action Report, with any minor additions, deletions, and modifications deemed necessary by the Superintendent, and to take any necessary actions to implement the contract.

4. BACKGROUND INFORMATION

Background: Seattle Public Schools participates in the National School Lunch, School Breakfast Program and Afterschool Snack Program and is required to obtain fixed price contracts, as opposed to cost plus a percentage contracts. Given the variable nature of produce availability and market prices, the contract was bid containing 41 items that are used the entire year in high volumes and excludes most seasonal items that would be unavailable or very high priced at the time of bid.

Prices are subject to escalation, up or down, based upon market prices. The district reserves the right to purchase additional seasonal products that are not listed on the Bid Price Form from the awarded bidder, or purchase such products from other vendors who have provided a lower quote for those items.

In addition, the bid quantities do not reflect the Fresh Fruit and Vegetable program, a grant that Nutrition Services has applied for but not yet been awarded for 2017-2018.

Alternatives: If the contract is not awarded, fresh fruits and vegetables would not be available to students as part of the School Breakfast, Lunch or Snack programs at the start of the 2017-18

school year. Fruits and vegetables are a required component that must be offered to students at breakfast and lunch in order for Nutrition Services to receive federal reimbursement.

Research: N/A.

5. FISCAL IMPACT/REVENUE SOURCE

The cost for product products for the 2017-18 school year is \$900,000.00. This represents no change from the previous year. The revenue source for this motion is currently budgeted in
Nutrition Services Food Budget in the General Fund.
Expenditure:
Revenue:
6. <u>COMMUNITY ENGAGEMENT</u>
With guidance from the District's Community Engagement tool, this action was determined to merit the following tier of community engagement:
Not applicable ■ Not applicable Not applicable

7. <u>EQUITY ANALYSIS</u>

Not applicable for this action, as it is the renewal of a three-year contract the district is committed to.

8. STUDENT BENEFIT

It is the policy of the Board that each school participate in the National School Lunch and School Breakfast Program and that the District encourages its students to develop good eating habits and understand and appreciate the kinds of food necessary to maintain good health. Fresh produce is an important ingredient in a healthy diet for students and is an essential ingredient for their ability to be ready to learn.

9. WHY BOARD ACTION IS NECESSARY

Amount of contract initial value or contract amendment exceeds \$250,000 (Policy No. 6220)

10. POLICY IMPLICATION

Per Policy No.6220, Procurement, any contract over 250,000 must be brought before the Board for approval. Per Policy No. H61.00, Food Service, and Board Procedure No. H61.01, Breakfast and Lunch Program, it is the policy of the Board that each school participation in the National School Lunch and School Breakfast Program and the District intends for its students to develop good eating habits and understand and appreciate the kind of food necessary to maintain good health.

11. BOARD COMMITTEE RECOMMENDATION

This motion was discussed at the May 18, 2017 Operations Committee meeting. The Committee reviewed the motion and moved it forward to the full Board with a recommendation for approval.

12. <u>TIMELINE FOR IMPLEMENTATION</u>

Upon approval of this motion, the Fresh Produce Agreement will be executed to continue services beginning September 1, 2017.

13. ATTACHMENTS

• Contract B01539, Amendment No. 2