



2010 N. 59<sup>th</sup> Street, Kansas City, KS 66104  
(913) 551-3200 FAX: (913) 551-3217

[WWW.KCKPS.ORG](http://WWW.KCKPS.ORG)

## MEMORANDUM

**TO: THE KANSAS CITY KANSAS BOARD OF EDUCATION**  
**FROM: DR. CYNTHIA LANE, SUPERINTENDENT OF SCHOOLS**  
**DATE: MAY 9, 2017**  
**SUBJECT: ACCEPT LOW BID FOR DAIRY VENDOR**

### RECOMMENDATION:

That the Kansas City Board of Education **accept the low bid meeting the written requirements from Hiland Dairy in the annual estimated amount of \$1,601,620.00** as submitted by Robert Young, Executive Director of Business Services, Dr. Kelli E. Mather, Chief Operating Officer, and as recommended by Dr. Cynthia Lane, Superintendent of Schools.

### EXPLANATION:

#### Background

Sealed bids were received in the Purchasing Department Office on April 28, 2017 for dairy products. The solicitation called for bids to meet the District's milk product needs for the 2017-2018 school year. The solicitation was advertised and sent to six firms. Bids were received from Anderson-Erickson Dairy and Hiland Dairy. Bid tabulation is attached.

#### Why this is important.

This price agreement is solicited for purchases to meet the District's milk product needs for the 2017-2018 school year.

#### Strategic Framework Priority

Bid competition for commodities ensures purchase at best available price, addresses the priority of being good stewards of resources with financial responsibility.

#### What Action is the Board Being Asked to Consider?

It is requested the Board approve the bid from Hiland Dairy to allow purchase of milk products under the pricing agreement.

Recommended by:

Handwritten signature of Dr. Cynthia Lane in blue ink.

Dr. Cynthia Lane  
Superintendent of  
Schools

Submitted by:

Handwritten signature of Dr. Kelli E. Mather in blue ink.

Dr. Kelli E. Mather  
Chief Operating  
Officer

Handwritten signature of Robert Young in blue ink.

Robert Young  
Executive Director of  
Business Services

**17-014 DAIRY VENDOR - BID ANALYSIS**

Item	Historical		Pricing - Escalating					
			Hiland Dairy			Anderson-Erickson		
	Usage	UOM	UOM	Unit Cost	Total Cost	UOM	Unit Cost	Total Cost
1% Milk	2,000,000	1/2 Pint	1/2 Pint	\$ 0.2400	\$ 480,000.00	1/2 Pint	\$ 0.2690	\$ 538,000.00
Skim Milk (Chocolate or Strawberry)	2,500,000	1/2 Pint	1/2 Pint	\$ 0.2450	\$ 612,500.00	1/2 Pint	\$ 0.2740	\$ 685,000.00
Skim Milk, 8 oz, Unflavored	250,000	1/2 Pint	1/2 Pint	\$ 0.2280	\$ 57,000.00	1/2 Pint	\$ 0.2570	\$ 64,250.00
Juice, 100%, Variety	2,500,000	4 oz.	4 oz.	\$ 0.1800	\$ 450,000.00	4 oz.	\$ 0.1900	\$ 475,000.00
Buttermilk, Cultured, Low-Fat	1,000	1/2 Gal	1/2 Gal	\$ 2.1200	\$ 2,120.00	1/2 Gal	\$ 2.1400	\$ 2,140.00
<b>Total Cost All Items</b>			<b>Total</b>		<b>\$ 1,601,620.00</b>	<b>Total</b>		<b>\$ 1,764,390.00</b>
					<b>Low Bid</b>			

I

\* The pricing quoted is based on **May 2017** Federal Milk Marketing Order for Class I Skim and Class I Butterfat. This pricing is subject to change as the cost of raw milk changes each month according to the USDA Federal Milk Market Price Announcements and Dairy Farmers of America. The cost of milk fluctuates up and down each month based on the cost changes in raw milk. Changes of a minimum of \$0.10 per CWT (up or down) will move the cost of 1/2 pint \$0.00054. Prices will also be adjusted up or down based on cost changes in packaging, ingredients, labor, fuel, juice concentrate, re-sale products (ex. Tropicana, Sport Shake), etc. All price changes will become effective on the 1st day of the following month following a price announcement.