

KETCHIKAN GATEWAY BOROUGH SCHOOL DISTRICT BOARD OF EDUCATION
AGENDA STATEMENT

No. 8 d.

MEETING OF August 23, 2023

Reviewed By

Item Title:

NEW BUSINESS

Motion to approve extending the current milk contract with Alaskan & Proud Market for FY2023-2024

Superintendent

Finance

SUBMITTED BY Daniel B. Schuler, Business & Operations Manager 247-2116

APPROVED FOR SUBMITTAL: Michael Robbins, Superintendent

SUMMARY STATEMENT: The KGBSD Administration would like to extend the current milk contract with Alaskan & Proud Markets, Inc. into the FY2023-2024 school year.

ISSUE: Per the National School Lunch guidelines, the Ketchikan Gateway Borough School District is required to offer 1% or nonfat milk for every school lunch. Board Policy governs the district's purchasing and contracting procedures. Board Policy requires Board approval for expenditures and financial obligations over \$25,000.

BACKGROUND: Alaskan & Proud Markets, Inc. was the only respondent to the milk RFP for FY2020-2021 and has met the demand of the District even under the difficult pandemic time period. Under the terms of the existing contract, a one-year extension is permissible upon mutual agreement of both parties through FY2023-2024. Alaskan & Proud Markets, Inc. has agreed to extend the contract through FY2023-2024 with a maximum not to exceed price increase of \$.09 per ½ pint (annualized \$14,310). They believe that the \$.09 per ½ pint price increase is a worst case scenario as they continue working on providing KGBSD their best pricing structure for this year. The FY2022-2023 pricing was \$.03 per ½ pint more than the original pricing for FY2020-2021 so even at the maximum increase over the four year period amounts to an annualized 4.5% increase. This increase has been deemed reasonable and fair by KGBSD Administration.

RECOMMENDATION:

Approval of a one-year extension of the current milk contract to Alaskan & Proud Markets, Inc.

FISCAL NOTE

N/A EXPENDITURE

REQUIRED \$127,200

AMOUNT

AVAILABLE \$127,200

EXHIBITS ATTACHED

- FY2023-2024 Updated Milk Contract Quote

RECOMMENDED ACTION:

“I move that the Board of Education approve a one-year extension of the current milk contract with Alaskan & Proud Markets, Inc.”

Ketchikan Gateway Borough School District

333 Schoenbar Rd. • Ketchikan, Alaska 99901

Ph. (907) 247-2109 Fax: (907) 247-3820

Michael Robbins, Superintendent • Melissa Johnson, Deputy Superintendent

Daniel Schuler, Business and Operations Manager • Sally Stockhausen, Special Services

Alonso Escalante, Human Resources Director • Michael Cron, Director of Support Services



KETCHIKAN GATEWAY BOROUGH SCHOOL DISTRICT

333 SCHOENBAR RD., KETCHIKAN, ALASKA 99901-6278

ENTITY PROVIDING QUOTE:

Alaskan and Proud Markets

ADDRESS OF ENTITY:

3816 Tongass Ave.

Ketchikan, AK 99901

PHONE:

907-225-1279

The undersigned hereby offers to furnish and deliver, Grade 'A' white milk to the lunchrooms of the Ketchikan Gateway Borough School District for the FY2023-2024 school year, subject to the specifications as set forth in the original Request for Quotes, as listed below:

White Milk (price is per half-pint)	FY2022-2023 Pricing	(\$ <u>.71</u> /1/2 pint)
White Milk (price is per half-pint)	FY2023-2024 Pricing	(\$ <u>.71</u> /1/2 pint)
	Incremental price increase	(\$ <u>.80</u> /1/2 pint)

This milk is harvested from within the State of Alaska Yes No

Sabina B.
Signature of Officer/Representative

Sabina Blackwell
Name

Store Director
Title

8/18/23
Dated