

NEW HAMPTON COMMUNITY SCHOOL DISTRICT  
710 WEST MAIN STREET  
NEW HAMPTON, IOWA 50659

MILK AND DIARY PRODUCT BID FOR 2015-2016 SCHOOL YEAR

Firm Anderson Erickson Dairy

Address 2420 E. University

City & State Des Moines IA 50317

Phone Number 1-800-234-7257 Ext. 6367

Authorized by Bob Seidl

Signature Bob Seidl 6-30-15

Pricing below shall be based on the Class I price for fluid milk for the month of June 2015, under the terms of the Federal Market Order. Pricing shall remain firm for the entire 2015-2016 school year except for changes (if any) in the Class I price for fluid milk.

			<u>Plastic Bottles</u>
1/2 pint white fat free milk	<u>.1950</u>	per carton	.2650
1/2 pint white 1% milk	<u>.2040</u>	per carton	.2740
1/2 pint fat free chocolate milk	<u>.2020</u>	per carton	.2720
1 gallon white 1% milk	<u>3.1360</u>	per gallon	
5 pound lo fat cottage cheese	<u>8.75</u>	per 5 lb. container	
5 pound flavored <del>fat free</del> yogurt	<u>5.20</u>	per 5 lb. container	
<del>4</del> 6 ounce flavored fat free yogurt	<u>.50</u>	per carton	
12 <del>12</del> ounce vending milk (white, skim)	<u>.7000</u>	per bottle	
12 <del>12</del> ounce vending milk (white, <del>1%</del> ) 2%	<u>.7000</u>	per bottle	
12 <del>12</del> ounce vending milk (chocolate, skim)	<u>.7000</u>	per bottle	
12 <del>12</del> ounce vending milk (Strawberry, skim)	<u>.7000</u>	per bottle	
<u>1/2</u> pint strawberry skim milk	<u>.2020</u>	per carton	

An additional cash discount of 0 % will be allowed for each month purchases, with payment due by the 25th of the following month.

Please indicate if your dairy purchases milk from dairy producers who use growth hormone therapy with their livestock.

     Yes     X  No    \_\_\_\_\_ Other

New Hampton Community Schools reserves the right to accept or reject any or all bids.

New Hampton Community Schools reserves the right to cancel the awarded vendor contract upon non-compliance of contract terms, including but not limited to what the District deems unsatisfactory or spoiled milk, poor product quality, untimely delivery or non delivery of product, etc.

Prices quoted are subject to the attached escalator clause.  
We furnish and maintain all necessary milk coolers. Please note that when a school system owns their own coolers .0050/1/2 pint can be deducted.

Please note this is based on June pricing, as requested.

## ESCALATOR CLAUSE

### FLUID MILK PRODUCTS:

The prices in this bid are based on the Class I price (at 3.5% butterfat) plus premiums. The Class I price is established under the terms of the Central Federal Milk Market Order #32. The price established for the month of June 2015 is \$20.76 per 100 lbs. The components of this price include: Class I Skim Price - \$9.37/cwt.; Class I Butterfat Price - \$2.0281/lb; Location Adjustment - \$1.80/cwt.; Premiums - \$2.82/cwt.

The formula for price adjustments of fluid milk delivered in half-pint and all other size containers is as follows:

- a. Compute the difference per hundredweight for Class I milk between the price for the month in question and the price for the base month indicated above (or the most recent month in which prices were adjusted) based on the factors relating to the actual cost of each product. Actual cost for each product is determined as follows:  
(Skim factor) \* (Skim price) + (Butterfat factor) \* (Butterfat price) + Location adjustment + Premiums. Skim factors/Butterfat factors are as follows: Whole milk - .9665/3.35; 2% milk - .9800/2.00; 1% milk - .9900/1.00; Skim milk - .9995/.05.
- b. Multiply this difference per hundredweight by .086 (8.6 / 100 – 8.6 lbs. to each gallon of milk) to calculate the difference in price per gallon.
- c. One-sixteenth of this difference is the amount of change in price for each one-half pint container of milk. All other size containers will be proportional.
- d. If the price for Class I milk is higher during the month in question than in the base month, the sum will be added to the previous price charged by the vendor. If the price for Class I milk is lower during the month in question than in the base month, the sum will be deducted from the previous price charged by the vendor.

### ALL PRODUCTS:

Prices bid on all products are subject to change based on price changes from our suppliers including but not limited to fuel, packaging and ingredients. Supporting documentation is available upon request.