

RIALTO UNIFIED SCHOOL DISTRICT

Child Nutrition
151 S. Cactus Ave.
Rialto, CA 92376

DAIRY AND OTHER RELATED PRODUCTS

#RIANS-2024-2025-001

ADDENDUM #1

Question from Proposer

Question:

I have a question regarding RFP No. RIANS-2024-2025-001.

There is no mention of milk price escalation in the bid documents. Milk prices are regulated by the Federal Milk Marketing Order and move up or down monthly. Can we add this language?

The usual escalation language for dairy contracts is : *“Prices for Class I milk products will be adjusted monthly based on the Federal Milk Marketing Order (FMMO) announcements for the applicable area in the California Federal Order Area No. 51. Information regarding FMMO monthly changes can be found at <https://cafmmo.com/>”.*

Answer:

The following information will replace General Condition #2 Prices on page 17.

PRICE ADJUSTMENTS:

Prices for Class 1, 2, and 3 products and orange juice may be adjusted during the contract period. Adjustments, either upward or downward, will coincide with the release of the State of California, Department of Food and Agriculture, Announcement of Minimum Prices for Market Milk. All notifications of price adjustments must be made in writing by the Contractor and received by the Lead Nutrition Service Agent at least **five (5) working days prior to the effective date of the adjustment.**

General reference: Agricultural Marketing Service (AMS) Market News web site address, at <https://www.ams.usda.gov/MARKETINGNEWS.HTM>.

Class 1 Fluid Milk Products:

Prices for Class 1 fluid milk products will be adjusted based on the Announcement of Minimum Prices for Class 1 Market Milk released by the Dairy Marketing Branch of the State of California, Department of Food and Agriculture, at <http://www.cdfa.ca.gov/dairy>.

Class 2 and 3 Dairy Products:

Prices for Class 2 and 3 dairy products may be adjusted based on the Announcement of Minimum Prices for Market Milk, as referenced above, based on changes in the class 4a market.

Orange Juice:

The District will adjust the price of orange juice according to the prices shown as Future Prices, listed as Orange Juice (CTN), as published in the Wall Street Journal. Formula for calculation will reference 1.029 lbs. of solids per single strength juice at 11.8 degree Brix. The base price shall be the price as of the closing date of this bid.

~ END OF ADDENDUM #1 ~

This addendum must be signed & returned with your proposal.

Signature

Date

Print Name

Title

Name of Company