



STATE OF ALABAMA
DEPARTMENT OF EDUCATION



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Executive Officer

April 9, 2024

Mr. Tim Hanberry, President
Merchants Foodservice
1100 Edwards Street
Hattiesburg, MS 39401

Dear Mr. Hanberry,

Merchants Foodservice was awarded the distributor contract for the Alabama Statewide Procurement (SWP) Program and the USDA Commodity Program on RFP# ALSDE 2021-03. The contract was for the period June 1, 2021, through May 31, 2022.

In accordance with Section 2.2, this contract may be extended for four (4) additional twelve (12) month periods. We propose to extend the contract for an additional twelve (12) months beginning June 1, 2024 and ending May 31, 2025, at the existing terms and conditions as set forth in the Invitation to Bid Document and Memorandum of Agreement entered into on June 1, 2021 between the Alabama State Department of Education and Merchants Foodservice. This extension is subject to the approval of the Alabama Department of Education, and your company.

If you are in agreement with the extension please indicate your intent in the space provided, sign, and return to me along with a current copy of your **certificate of insurance and performance bond** in the amount of \$60,000 for each region awarded. Should you not wish to extend this contract please indicate your desire in the space provided, sign, and return.

You were awarded Regions 1, 5, and 6.

Contract Renewal June 1, 2024 through May 31, 2025

☒
☐

I am in agreement with the extension of RFP# ALSDE 2021-03 as shown above.
I do not wish to extend RFP# ALSDE 2021-03.

Tim Hanberry
Signature

Vice President of Purchasing
Title

PFS-Merchants Clanton
Company Name

April 22, 2024
Date

Please return this form to me at 5301 Gordon Persons Building, P. O. Box 302101, Montgomery, AL 36130-2010 by May 15, 2024. If you have any questions, contact SWP at (334) 694-4857 or email SWP@ALSDE.EDU.

Sincerely,



Angelica S. Lowe
Angelica Lowe, Director
Child Nutrition Programs

AL:RR:GSC



CERTIFICATE OF LIABILITY INSURANCE

DATE (MM/DD/YYYY)

8/1/2024

4/8/2024

THIS CERTIFICATE IS ISSUED AS A MATTER OF INFORMATION ONLY AND CONFERS NO RIGHTS UPON THE CERTIFICATE HOLDER. THIS CERTIFICATE DOES NOT AFFIRMATIVELY OR NEGATIVELY AMEND, EXTEND OR ALTER THE COVERAGE AFFORDED BY THE POLICIES BELOW. THIS CERTIFICATE OF INSURANCE DOES NOT CONSTITUTE A CONTRACT BETWEEN THE ISSUING INSURER(S), AUTHORIZED REPRESENTATIVE OR PRODUCER, AND THE CERTIFICATE HOLDER.

IMPORTANT: If the certificate holder is an **ADDITIONAL INSURED**, the policy(ies) must have **ADDITIONAL INSURED** provisions or be endorsed. If **SUBROGATION** IS **WAIVED**, subject to the terms and conditions of the policy, certain policies may require an endorsement. A statement on this certificate does not confer rights to the certificate holder in lieu of such endorsement(s).

PRODUCER Lockton Companies 8110 E Union Avenue Suite 100 Denver CO 80237 (303) 414-6000	CONTACT NAME: PHONE (A/C, No. Ext): E-MAIL ADDRESS: FAX (A/C, No):																					
INSURED 1459545 Performance Food Group, Inc. 12500 West Creek Parkway Richmond, VA 23238	<table><tr><th colspan="2">INSURER(S) AFFORDING COVERAGE</th><th>NAIC #</th></tr><tr><td colspan="2">INSURER A : ACE American Insurance Company</td><td>22667</td></tr><tr><td colspan="2">INSURER B : Indemnity Insurance Co of North America</td><td>43575</td></tr><tr><td colspan="2">INSURER C : ACE Fire Underwriters Insurance Company</td><td>20702</td></tr><tr><td colspan="2">INSURER D :</td><td></td></tr><tr><td colspan="2">INSURER E :</td><td></td></tr><tr><td colspan="2">INSURER F :</td><td></td></tr></table>	INSURER(S) AFFORDING COVERAGE		NAIC #	INSURER A : ACE American Insurance Company		22667	INSURER B : Indemnity Insurance Co of North America		43575	INSURER C : ACE Fire Underwriters Insurance Company		20702	INSURER D :			INSURER E :			INSURER F :		
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INSURER D :																						
INSURER E :																						
INSURER F :																						

COVERAGES**CERTIFICATE NUMBER:** 20480094**REVISION NUMBER:** XXXXXXXX

THIS IS TO CERTIFY THAT THE POLICIES OF INSURANCE LISTED BELOW HAVE BEEN ISSUED TO THE INSURED NAMED ABOVE FOR THE POLICY PERIOD INDICATED. NOTWITHSTANDING ANY REQUIREMENT, TERM OR CONDITION OF ANY CONTRACT OR OTHER DOCUMENT WITH RESPECT TO WHICH THIS CERTIFICATE MAY BE ISSUED OR MAY PERTAIN, THE INSURANCE AFFORDED BY THE POLICIES DESCRIBED HEREIN IS SUBJECT TO ALL THE TERMS, EXCLUSIONS AND CONDITIONS OF SUCH POLICIES. LIMITS SHOWN MAY HAVE BEEN REDUCED BY PAID CLAIMS.

INSR LTR	TYPE OF INSURANCE	ADDL INSD	SUBR WVD	POLICY NUMBER	POLICY EFF (MM/DD/YYYY)	POLICY EXP (MM/DD/YYYY)	LIMITS
A	<input checked="" type="checkbox"/> COMMERCIAL GENERAL LIABILITY <input type="checkbox"/> CLAIMS-MADE <input checked="" type="checkbox"/> OCCUR <input checked="" type="checkbox"/> Per Proj/Per Loc <input type="checkbox"/> Agg-\$5M s/t Gen Agg GEN'L AGGREGATE LIMIT APPLIES PER: <input checked="" type="checkbox"/> POLICY <input type="checkbox"/> PRO-JECT <input type="checkbox"/> LOC OTHER:	N	N	HDOG72948828	8/1/2023	8/1/2024	EACH OCCURRENCE \$ 5,000,000 DAMAGE TO RENTED PREMISES (Ea occurrence) \$ 1,000,000 MED EXP (Any one person) \$ 5,000 PERSONAL & ADV INJURY \$ 5,000,000 GENERAL AGGREGATE \$ 20,000,000 PRODUCTS - COMP/OP AGG \$ 10,000,000 \$
	<input type="checkbox"/> AUTOMOBILE LIABILITY <input type="checkbox"/> ANY AUTO <input type="checkbox"/> OWNED AUTOS ONLY <input type="checkbox"/> SCHEDULED AUTOS <input type="checkbox"/> HIRED AUTOS ONLY <input type="checkbox"/> NON-OWNED AUTOS ONLY			NOT APPLICABLE			COMBINED SINGLE LIMIT (Ea accident) \$ XXXXXXXX BODILY INJURY (Per person) \$ XXXXXXXX BODILY INJURY (Per accident) \$ XXXXXXXX PROPERTY DAMAGE (Per accident) \$ XXXXXXXX \$ XXXXXXXX
	<input type="checkbox"/> UMBRELLA LIAB <input type="checkbox"/> OCCUR <input type="checkbox"/> EXCESS LIAB <input type="checkbox"/> CLAIMS-MADE <input type="checkbox"/> DED <input type="checkbox"/> RETENTION \$			NOT APPLICABLE			EACH OCCURRENCE \$ XXXXXXXX AGGREGATE \$ XXXXXXXX \$ XXXXXXXX
A B C	WORKERS COMPENSATION AND EMPLOYERS' LIABILITY ANY PROPRIETOR/PARTNER/EXECUTIVE OFFICER/MEMBER EXCLUDED? (Mandatory in NH) If yes, describe under DESCRIPTION OF OPERATIONS below	Y/N <input checked="" type="checkbox"/> N	N/A	WLRC70304223(AZ,CA,MA,OR) WLRC70304260 (AOS) SCFC70304302(WI)	8/1/2023 8/1/2023 8/1/2023	8/1/2024 8/1/2024 8/1/2024	<input checked="" type="checkbox"/> PER STATUTE <input type="checkbox"/> OTH-ER E.L. EACH ACCIDENT \$ 2,000,000 E.L. DISEASE - EA EMPLOYEE \$ 2,000,000 E.L. DISEASE - POLICY LIMIT \$ 2,000,000

DESCRIPTION OF OPERATIONS / LOCATIONS / VEHICLES (ACORD 101, Additional Remarks Schedule, may be attached if more space is required)

CERTIFICATE HOLDER**CANCELLATION** See Attachment

20480094 The Merchants Company, LLC Attn: Patrick Rawls 1100 Edwards Street Hattiesburg, MS 39401	SHOULD ANY OF THE ABOVE DESCRIBED POLICIES BE CANCELLED BEFORE THE EXPIRATION DATE THEREOF, NOTICE WILL BE DELIVERED IN ACCORDANCE WITH THE POLICY PROVISIONS. AUTHORIZED REPRESENTATIVE
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Schedule of Named Insureds

Afflink, LLC
Afflink Corporation
Afflink Holding Corporation
CME Transco, LLC
Continental Concession Supplies, LLC
Coda Coffee, LLC
Core-Mark Holding Company, LLC
Core-Mark Distributors Inc
Core-Mark International Inc
Core-Mark Midcontinent Inc
Core-Mark Interrelated Companies Inc.
Eby-Brown Company, LLC
Eby-Brown Transportation, LLC
Eby-Brown Florida, LLC
Foodservice Purchasing Group, LLC
Fox River Foods, Inc
FRF Transport, Inc
Green Rabbit Holdings, Inc.
Institution Food House, Inc.
Land Mark Products, Inc.
Kenneth O. Lester Company, Inc
Liberty Distribution Company, LLC
Mississippi Valley Freight Service, LLC
The Merchants Company, LLC
Old Hickory Logistics, LLC
NDA Marketing, Inc.
Orion Food Systems, LLC
Performance Food Group, Inc
Performance Manufacturing, LLC
Performance Transportation, LLC
Performance Food Group Company
PFGC, Inc.
PFG PFS, LLC
PFG Specialty, Inc.
PFG Transco, Inc.
PFST Holding Co.
Preferred Snacks, LLC
Reinhart Foodservice, L.L.C.
Reinhart Foodservice Louisiana, L.L.C.
Reinhart Louisiana Holdings, L.L.C.
Reinhart Transportation, LLC
Sources LLC
Sunrise Fresh Produce, LLC
T.F. Kinnealey & Co., Inc.
Tatum Development Corporation
Ohio Pizza Products, LLC
Vend Catering Supply, LLC
Vistar
Vistar Transportation, LLC
Vistar Investments I, LLC
Preferred Popcorn, LLC

Additional Insured-Controlling Interest General Liability and Auto – PFGC, Inc.

Continuation Certificate
For use with Annual Bond Form

Travelers Casualty and Surety Company of America
Hartford, CT 06183

Bond No. 107318113

In consideration of \$1,125.00 dollars renewal premium, the term of Bond No. 107318113
in the amount of \$225,000.00, dated May 12, 2021 issued on behalf of Merchants Foodservice
in favor of Alabama State Department of Education in connection with Performance Bond No. 107318113
is hereby extended to May 31, 2025. This Certificate is subject to the same terms
and conditions as set forth in the aforementioned Bond.

This continuation certificate is executed upon the express condition that the surety's liability under said bond, and any and
all continuation certificates, shall not be cumulative and shall in no event exceed the amount of said bond, as herein set
forth, regardless of the number of periods the bond is extended. The referenced bond shall be subject to all its
agreements, limitations and conditions except as herein expressly modified.

SIGNED, SEALED AND DATED this 11th day of April, 2024

Travelers Casualty and Surety Company of America

By:

Jeffrey M. Wilson

, Attorney-in-Fact



Travelers Casualty and Surety Company of America
Travelers Casualty and Surety Company
St. Paul Fire and Marine Insurance Company

POWER OF ATTORNEY

KNOW ALL MEN BY THESE PRESENTS: That Travelers Casualty and Surety Company of America, Travelers Casualty and Surety Company, and St. Paul Fire and Marine Insurance Company are corporations duly organized under the laws of the State of Connecticut (herein collectively called the "Companies"), and that the Companies do hereby make, constitute and appoint **Jeffrey M Wilson** of **BIRMINGHAM, Alabama**, their true and lawful Attorney(s)-in-Fact to sign, execute, seal and acknowledge any and all bonds, recognizances, conditional undertakings and other writings obligatory in the nature thereof on behalf of the Companies in their business of guaranteeing the fidelity of persons, guaranteeing the performance of contracts and executing or guaranteeing bonds and undertakings required or permitted in any actions or proceedings allowed by law.

IN WITNESS WHEREOF, the Companies have caused this instrument to be signed, and their corporate seals to be hereto affixed, this **21st day of April, 2021**.



State of Connecticut

City of Hartford ss.

By: _____

Robert L. Raney
Robert L. Raney, Senior Vice President

On this the **21st** day of **April, 2021**, before me personally appeared **Robert L. Raney**, who acknowledged himself to be the Senior Vice President of each of the Companies, and that he, as such, being authorized so to do, executed the foregoing instrument for the purposes therein contained by signing on behalf of said Companies by himself as a duly authorized officer.

IN WITNESS WHEREOF, I hereunto set my hand and official seal.

My Commission expires the **30th** day of **June, 2026**



Anna P. Nowik
Anna P. Nowik, Notary Public

This Power of Attorney is granted under and by the authority of the following resolutions adopted by the Boards of Directors of each of the Companies, which resolutions are now in full force and effect, reading as follows:

RESOLVED, that the Chairman, the President, any Vice Chairman, any Executive Vice President, any Senior Vice President, any Vice President, any Second Vice President, the Treasurer, any Assistant Treasurer, the Corporate Secretary or any Assistant Secretary may appoint Attorneys-in-Fact and Agents to act for and on behalf of the Company and may give such appointee such authority as his or her certificate of authority may prescribe to sign with the Company's name and seal with the Company's seal bonds, recognizances, contracts of indemnity, and other writings obligatory in the nature of a bond, recognizance, or conditional undertaking, and any of said officers or the Board of Directors at any time may remove any such appointee and revoke the power given him or her; and it is

FURTHER RESOLVED, that the Chairman, the President, any Vice Chairman, any Executive Vice President, any Senior Vice President or any Vice President may delegate all or any part of the foregoing authority to one or more officers or employees of this Company, provided that each such delegation is in writing and a copy thereof is filed in the office of the Secretary; and it is

FURTHER RESOLVED, that any bond, recognizance, contract of indemnity, or writing obligatory in the nature of a bond, recognizance, or conditional undertaking shall be valid and binding upon the Company when (a) signed by the President, any Vice Chairman, any Executive Vice President, any Senior Vice President or any Vice President, the Treasurer, any Assistant Treasurer, the Corporate Secretary or any Assistant Secretary and duly attested and sealed with the Company's seal by a Secretary or Assistant Secretary; or (b) duly executed (under seal, if required) by one or more Attorneys-in-Fact and Agents pursuant to the power prescribed in his or her certificate or their certificates of authority or by one or more Company officers pursuant to a written delegation of authority; and it is

FURTHER RESOLVED, that the signature of each of the following officers: President, any Executive Vice President, any Senior Vice President, any Vice President, any Assistant Vice President, any Secretary, any Assistant Secretary, and the seal of the Company may be affixed by facsimile to any Power of Attorney or to any certificate relating thereto appointing Resident Vice Presidents, Resident Assistant Secretaries or Attorneys-in-Fact for purposes only of executing and attesting bonds and undertakings and other writings obligatory in the nature thereof, and any such Power of Attorney or certificate bearing such facsimile signature or facsimile seal shall be valid and binding upon the Company and any such power so executed and certified by such facsimile signature and facsimile seal shall be valid and binding on the Company in the future with respect to any bond or understanding to which it is attached.

I, **Kevin E. Hughes**, the undersigned, Assistant Secretary of each of the Companies, do hereby certify that the above and foregoing is a true and correct copy of the Power of Attorney executed by said Companies, which remains in full force and effect.

Dated this 11th day of April, 2024



Kevin E. Hughes
Kevin E. Hughes, Assistant Secretary

To verify the authenticity of this Power of Attorney, please call us at 1-800-421-3880.

Please refer to the above-named Attorney(s)-in-Fact and the details of the bond to which this Power of Attorney is attached.



STATE OF ALABAMA
DEPARTMENT OF EDUCATION



Eric G. Mackey, Ed.D.
State Superintendent of Education

May 20, 2024

Alabama
State Board
of Education

Governor Kay Ivey
President

Jackie Zeigler
District I

Tracie West
District II
Vice President

Stephanie Bell
District III

Yvette M. Richardson, Ed.D.
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Tonya S. Chestnut, Ed.D.
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President Pro Tem

Marie Manning
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Belinda McRae
District VII

Wayne Reynolds, Ed.D.
District VIII

Eric G. Mackey, Ed.D.
Secretary and
Executive Officer

Mr. Johnny King
Director of Contracts
The Merchants Company
P.O. Box 1351
Hattiesburg, MS 39403-1351

Re: USDA Foods Delivery Charge Price Increase

Mr. King:

As allowed under Section 3.26 of RFP ALSDE 2021-03 and as requested in your letter dated February 05, 2024, we have granted your request for a price increase to receive, store, and deliver United States Department of Agriculture Donated Foods in the State of Alabama for the 2024-2025 school year. The percentage increase allowed is based on the United States Department of Labor, Bureau of Labor Statistics Annual Average of the U.S. All Items Category of the All-Urban Consumers (CPI-U) Index. The annual 12-month percentage change for calendar year 2023 is 4.10% as shown on the attached chart.

This 4.10% increase is applied to your new weekly delivery price for 2024-2025. The new pick-up price is determined by multiplying the new weekly delivery charge by 50% and 25% of the new weekly delivery charge is the new amount of the extra storage charge. All amounts are rounded to the nearest whole cent using standard rounding procedures.

Listed below are the school year 2024-2025 prices you should charge for your cost options by region:

	<u>Weekly</u>	<u>Pick-Up</u>	<u>Extra Storage</u>
Region 1	\$2.99	\$1.50	\$0.75
Region 5	\$2.99	\$1.50	\$0.75
Region 6	\$2.99	\$1.50	\$0.75

These new prices are effective June 1, 2024.

Should you need additional information please call me at (334) 694-4857 or email me at swp@alsde.edu.

Sincerely,

Ruth Roberson

Ruth Roberson, Staff Accountant
Statewide Procurement
Child Nutrition Programs

RR:GSC

Attachment

Bureau of Labor Statistics

Consumer Price Index for All Urban Consumers (CPI-U)
12-Month Percent Change

Series Id: CUUR0000SA0
Not Seasonally Adjusted
Series Title: All items in U.S. city average, all urban consumers, not
Area: U.S. city average
Item: All items
Base Period: 1982-84=100
Years: 2023 to 2023

Year	Annual
2023	4.1



February 5, 2024

Alabama Department of Education
Child Nutrition Programs
Attention: Angelice Lowe
P.O. Box 302101
Montgomery, AL 36130-2101

Dear Mrs. Lowe:

I am writing to respectfully request fee increases in the amount of 4.10% for distribution of USDA donated foods for the 2024/2025 school year as outlined in Section 3.26 of RFP ALSDE 2021-03.

This request is based on the attached United States Bureau of Labor Statistics Consumer Price Index which shows annual average increase 4.10%.

Outlined below are the requested changes by region, effective June 1, 2024:

Region 1 increase from \$2.87 per case to \$2.99

Region 5 increase from \$2.87 per case to \$2.99

Region 6 increase from \$2.87 per case to \$2.99

Thank you in advance for your prompt attention and consideration regarding this request.

Sincerely,



Robert Champagne
Director of Contracts

Cc: Tim Hanberry, Ricky Reed



U.S. BUREAU OF LABOR STATISTICS

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Databases, Tables & Calculators by Subject

Change Output Options:

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☐ include graphs ☒ include annual averages

[More Formatting Options](#) ➔

Data extracted on: February 5, 2024 (10:46:57 AM)

Consumer Price Index for All Urban Consumers (CPI-U)

12-Month Percent Change

Series Id: CUUR0000SA0

Not Seasonally Adjusted


Series Title: All items in U.S. city average, all urban consumers, not seasonally adjusted

Area: U.S. city average

Item: All items

Base Period: 1982-84=100

Download:  [xlsx](#)



Year	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Annual
2023	6.4	6.0	5.0	4.9	4.0	3.0	3.2	3.7	3.7	3.2	3.1	3.4	4.1