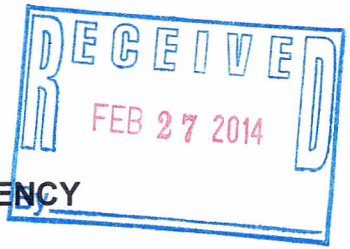


SANTA CLARITA VALLEY SCHOOL FOOD SERVICES AGENCY

25210 Anza Drive
Santa Clarita, California 91355



AGREEMENT FOR ADMINISTRATIVE SERVICES

This Agreement is entered into between **Gold Star Foods, Inc.** (hereinafter "Vendor") and the **Santa Clarita Valley School Food Services Agency** (hereinafter "SCVSFSA") (collectively the "parties") this 21st day of February, 2014

RECITALS

WHEREAS, the SCVSFSA as Lead Agency of the SUPER Cooperative has authority to contract for administrative services on behalf of all Recipient Agencies of the SUPER Cooperative and has authority to enter into this Agreement with Vendor.

WHEREAS, the SCVSFSA desires Vendor to perform administrative services (commodity ordering and tracking, and volume discount processing) for the SUPER Cooperative

WHEREAS, Vendor has submitted a bid, demonstrated its responsibility as a bidder, and represents itself able and, for a consideration, willing to perform the administrative services for the SUPER Cooperative and

This Agreement attaches and incorporates by reference as though fully set forth herein the following documents: Appendix A –Services Vendor Agrees to Perform, Appendix B – Calculation of Charges, Appendix C – List of Recipient Agencies, and Appendix D – Request for Proposal No. **13-14-012914-1** (collectively referred to as the "Agreement"). The following documents shall be attached to this Agreement: Insurance certificates and Endorsement (See Section 9 for Insurance and Endorsement requirements).

NOW THEREFORE, the parties mutually agree as follows:

DEFINITIONS

As used in this Agreement the following terms are defined as follows:

a. "Lead Agency" means:

The Santa Clarita Valley School Food Services Agency is the Lead Agency for the Super Cooperative as of the date of this Agreement.

The Lead Agency's duties may be conveyed to another Recipient Agency for any reason whatsoever during the duration of this Agreement, by mutual consent of all parties to this Agreement. This Agreement may be assumed by

the new "Lead Agency" and the terms of this Agreement will be fulfilled for the duration of the Agreement period.

- b. "Recipient Agency" or "RA" means:

An individual member organization of the SUPER Cooperative certified to receive USDA commodities for school meals. A list of SUPER Cooperative member RA's is incorporated into this Agreement as Appendix C.

- c. "Request for Proposal" means:

Request for Proposal No. **13-14-012914-1** "Administrative Services for SUPER Cooperative Commodity Ordering, Commodity Tracking, and Volume Discount Administration" is enclosed with this Agreement as Appendix D.

- d. "SUPER Cooperative" means:

The California cooperative consisting of public school agency members for the purpose of obtaining commodities for school food services.

A. TERM OF THE AGREEMENT/ EFFECTIVE DATE OF AGREEMENT

The term of this Agreement shall be one (1) school year (starting February 21, 2014 through June 30, 2015).

The Agreement may be extended upon mutual consent of the SCVSFSA and Vendor for an additional four (4) one-year periods in accordance with California Education Code sections 17596 (K-12) and 81644 (Community Colleges.) The total potential bid life is five (5) years from the initial Board of Directors bid award.)

Price increases may be negotiated subject to existing local market conditions, and as determined by the Los Angeles Consumer Price Index (CPI) but may never exceed five percent (5%). An increase may be granted each year on July 1 after the first year, not to exceed the increase in the Consumer Price Index for Los Angeles and Orange Counties for the previous year. The increase will be rounded up to the nearest penny. However, subsequent adjustments will be made on the actual number not the rounded up number. Renewal may include an increase in service fees, as determined by SCVSFSA and the Vendor.

If this Agreement is continued, new Recipient Agencies may be added and current Recipient Agencies may withdraw from the SUPER Cooperative. Withdrawing Recipient Agencies shall terminate at the end of the school year (June 30). New Recipient Agencies may be added to the SUPER Cooperative only by the SCVSFSA's written approval and shall commence at the beginning of the new school year (July 1).

Subject to Section 1 of the attached General Conditions, the term of this Agreement is also set forth in the approved Board Resolution for services to be provided by Vendor under this Agreement.

Notwithstanding the foregoing, This Agreement shall become effective only upon approval in writing by the SCVSFSA Board of Directors, proper execution by the parties and certification by the SCVSFSA Chief Executive Officer as to the availability of funds.

B. SERVICES VENDOR AGREES TO PERFORM

Vendor agrees to perform the services provided for in the attached **Appendix A, "Services Vendor Agrees to Perform."**

C. COMPENSATION

Compensation to Vendor shall not exceed the amounts detailed in the breakdown of costs and payment schedule associated with this Agreement at **Appendix B, "Calculation of Charges."**

Upon receipt of invoice for payment, payments shall be made in a reasonable time upon approval by individual Recipient Agencies, in their discretion, that the services, set forth in **Appendix A ("Services Vendor Agrees to Perform")** of this Agreement, have been rendered satisfactorily, and in a professional and timely manner in accordance with this Agreement.

If the SCVSFSA and Vendor mutually agree to increase the scope of work described herein, the compensation may also be increased provided that there is a prior written modification to the Agreement in accordance with **Section 22 ("Modification of Agreement")** of the General Conditions and a Board Resolution authorizing said increases. It shall be the responsibility of the Vendor to ensure that the total approved amount of the Agreement is not exceeded. Any work performed in excess of said amount shall not be compensated.

In no event shall the SCVSFSA be liable for interest or late charges for late payments to the Vendor.

D. NOTICE TO PARTIES

All notices to be given by the parties hereto shall be in writing and served by depositing the same in the United States Post Office as follows:

TO THE SCVSFSA:

SITE/DEPARTMENT	Business Services
HEAD OF SITE/DEPARTMENT	Chief Executive Officer
CONTACT PERSON	Mr. Pavel Matustik
STREET ADDRESS	25210 Anza Drive
CITY, STATE, ZIP	Santa Clarita, California 91355
TELEPHONE/FAX	(TEL) 661-295-1574 (FAX) 661-295-0981
EMAIL ADDRESS	pavel@scvsfsa.net

TO THE VENDOR:

VENDOR	<i>Gold Star Foods, Inc.</i>
CONTACT NAME	<i>Dan Madsen</i>
STREET ADDRESS	<i>3781 E. Airport Drive</i>
CITY, STATE, ZIP	<i>Ontario, CA. 91761</i>
TELEPHONE/FAX	(TEL) (909) 843-9600 (FAX) (909) 843-9602
EMAIL ADDRESS	<i>Dan@GoldStarFoods.com</i>

GENERAL CONDITIONS TO AGREEMENT FOR ADMINISTRATIVE SERVICES WITH THE SANTA CLARITA VALLEY SCHOOL FOOD SERVICES AGENCY

1. AVAILABILITY OF FUNDS AND BUDGET AND FISCAL PROVISION AND TERMINATION IN THE EVENT OF NON-APPROPRIATION

- a. This Agreement is subject to the budget and fiscal policies, regulations, and practices of each Recipient Agency, the California Department of Education ("CDE"), and the USDA.
- b. The monies utilized by the Recipient Agencies to purchase the administrative services described in this Agreement is public money appropriated by the State of California or acquired by the Recipient Agencies from similar public sources and is subject to variation. The SCVSFSA reserves the right to cancel the Agreement at any time and/or to limit quantities of items due to non-availability or non-appropriation of sufficient funds.
- c. The amount of each Recipient Agency's obligation hereunder shall not at any time exceed the amount herein stated.
- d. The SCVSFSA has no obligation to renew this Agreement after expiration of its term. If funds are appropriated for a portion of a fiscal year, this Agreement will terminate, without penalty, at the end of the term for which funds are appropriated.
- e. This section controls against any and all other provisions of this Agreement.

2. DISALLOWANCE

- a. If Vendor claims or receives payment from any Recipient Agencies for a service, reimbursement for which is later disallowed by the State of California or United States Government, Vendor shall promptly refund the disallowed amount to the Recipient Agency upon the Recipient Agency's request. At its option, the Recipient Agency may offset the amount disallowed from any payment due or to become due to Vendor under this Agreement or any other Agreement.
- b. By executing this Agreement, Vendor certifies that Vendor is not suspended, debarred or otherwise excluded from participation in federal or state programs. Vendor acknowledges that this certification of eligibility to receive state or federal funds is a material term of this Agreement.

3. SUBMITTING FALSE CLAIMS; MONETARY PENALTIES

Pursuant to Government Code §12650 et. seq., any person, including a contractor, subcontractor, consultant, or vendor who submits a false claim shall be liable to the SCVSFSA for three times the amount of damages which the SCVSFSA sustains

because of the false claim. A person who commits a false claim shall also be liable to the SCVSFSA for the costs of a civil action brought to recover any of those penalties or damages, and may be liable to the SCVSFSA for a civil penalty of up to ten thousand dollars (\$10,000) for each false claim. A person will be deemed to have submitted a false claim to the SCVSFSA if the person:

- a. knowingly presents or causes to be presented to an officer or employee of the SCVSFSA, a false claim for payment or approval;
- b. knowingly makes, uses, or causes to be made or used a false record or statement to get a false claim paid or approved by the SCVSFSA;
- c. conspires to defraud the SCVSFSA by getting a false claim allowed or paid by the SCVSFSA;
- d. has possession, custody, or control of public property or money used or to be used by the SCVSFSA and knowingly delivers or causes to be delivered less property than the amount for which the person receives a certificate or receipt;
- e. is authorized to make or deliver a document certifying receipt of property used or to be used by the SCVSFSA and knowingly makes or delivers a receipt that falsely represents the property used or to be used;
- f. knowingly buys, or receives as a pledge of an obligation or debt, public property from any person who lawfully may not sell or pledge the property;
- g. knowingly makes, uses, or causes to be made or used a false record or statement to conceal, avoid, or decrease an obligation to pay or transmit money or property to the SCVSFSA; or
- h. is a beneficiary of an inadvertent submission of a false claim to the SCVSFSA, subsequently discovers the falsity of the claim, and fails to disclose the false claim to the SCVSFSA within a reasonable time after discovery of the false claim.

4. PAYMENT DOES NOT IMPLY ACCEPTANCE OF WORK

No payment shall in any way lessen the liability of Vendor to remedy or replace unsatisfactory work, service, equipment, or materials, if the unsatisfactory character of such work, service, equipment or materials was not detected at the time of payment. Service, materials, equipment, components, or workmanship that do not conform to the requirements of this Agreement may be rejected by the SCVSFSA and in such case must be remedied or replaced by Vendor without delay at no additional cost to the SCVSFSA or any Recipient Agency.

5. FAILURE TO FULFILL AGREEMENT

If Vendor fails to deliver any service under this Agreement which does not conform to the SCVSFSA's requirements, the SCVSFSA may, at its sole discretion, annul and set aside this Agreement, either in whole or in part, and make and enter into a new contract for the same services in such manner as seems to the Board of Directors to be to the best advantage of the SCVSFSA. Any failure for furnishing such services by reason of the failure of Vendor, as above stated, shall be a liability against Vendor.

The SCVSFSA Board of Directors reserves the right to cancel any services which the Vendor may be unable to furnish because of economic conditions, governmental regulations or other similar causes beyond the control of the Vendor provided satisfactory proof is furnished to the SCVSFSA Board of Directors or its representatives, if requested.

6. QUALIFIED PERSONNEL

Work under this Agreement shall be performed only by competent personnel under the supervision of and in the employment of Vendor. Vendor shall commit adequate resources to complete the project schedule specified in this Agreement.

7. TAXES

Vendor shall pay all taxes levied in connection with this Agreement, or the services delivered pursuant hereto.

8. INDEPENDENT CONTRACTOR

Vendor or any agent or employee of Vendor shall be deemed at all times to be an independent contractor and not an employee of the SCVSFSA or any Recipient Agency. Vendor shall be wholly responsible for the manner in which it performs the services required of it under this Agreement. Nothing contained in this Agreement shall be construed as creating an employment or agency relationship between the SCVSFSA and Vendor or its agents and employees. If any governmental authority should, nevertheless, determine that Vendor is an employee, then the SUPER Cooperative Recipient Agencies' payment obligations hereunder shall be reduced so that the aggregate amount of payments directly to Vendor and to the applicable governmental authority does not exceed the maximum amount specified in this Agreement under **Section C., "Compensation"**. Vendor shall refund any amounts necessary to effect such reduction.

9. INSURANCE

- a. Without limiting Vendor's liability pursuant to the "Indemnification" section of this Agreement, Vendor shall procure and maintain at its own expense during the full term of this Agreement the following insurance amounts and coverage:

- (1.) Comprehensive General Liability Insurance with limits not less than \$1,000,000.00 (one million dollars) each occurrence combined Single Limit for Bodily Injury and Property Damage.
- (2.) Commercial Automobile Liability Insurance with limits not less than \$1,000,000 (one million dollars) each occurrence Combined Single Limit for Bodily Injury and Property Damage, including Owned, Non-Owned and Hired auto coverage, as applicable.
- (3.) Workers' Compensation Insurance, with Employer's Liability limits not less than \$1,000,000.00 (one million dollars) each accident.
- (4.) ~~A performance Bond in the amount of \$1,000,000.00 (one million dollars).~~ *DM 2/24/14*
- (5.) Professional Liability (E&O) Insurance with limits not less than \$1,000,000.00 (one million dollars) each occurrence and in the aggregate. Coverage must at a minimum apply to negligent Errors and Omissions arising out of professional services, performed under the contract, with any deductible not to exceed \$50,000 each claim.

If any policies are written on a claims-made form, Vendor agrees to maintain such insurance continuously in effect for three years following completion of this Agreement or extend the period for reporting claims for three years following the completion of this Agreement, such that occurrences which take place during the Agreement period shall be insured for three years following completion of the Agreement.

- b. The General Liability and Comprehensive Automobile Liability Insurance shall be endorsed to provide the following:
 - (1.) Name as additional insured's the SCVSFSA, its Board of Directors, officers and employees.
 - (2.) That such policies are primary insurance to any other insurance available to the additional insured's, with respect to any claims arising out of this Agreement and that insurances apply separately to each insured against whom claim is made or suit is brought.
- c. All policies shall provide thirty (30) days advance written notice to the SCVSFSA of cancellation, non-renewal or reduction in coverage to the following office:

Santa Clarita Valley School Food Services Agency
25210 Anza Drive
Santa Clarita, California 91355

- d. If any policies are written on a claims-made form, Vendor agrees to maintain such coverage continuously throughout the term of this Agreement and, without lapse, for a period of three years beyond the expiration of this Agreement, such that should occurrences during the Agreement term give rise to claims made after expiration of the Agreement, such claims shall be covered.
- e. Should any of the required insurance be provided under a form of coverage that includes a general annual aggregate limit or provides that claims investigation or legal defense costs are included in such general annual aggregate limit, such annual aggregate limit shall be double the occurrence or claims limits specified above.
- f. Should any required insurance lapse during the term of this Agreement, requests for payments originating after such lapse shall not be processed until the SCVSFSA receives satisfactory evidence of reinstated coverage as required by this Agreement, effective as of the lapse date. If insurance is not reinstated, the SCVSFSA may, at its sole option, terminate this Agreement effective on the date of such lapse of insurance.
- g. Before commencing any operations under this Agreement, Vendor must provide the SCVSFSA with the certificates of insurance, and additional insured policy endorsements and with insurers satisfactory to the SCVSFSA, evidencing all coverage's set forth above, and shall furnish complete copies of policies promptly upon the SCVSFSA 's request.

Vendor also understands and agrees that the Recipient Agencies may withhold payment for services performed for any violations of the insurance provisions of this Agreement.

- h. Approval of the insurance by the SCVSFSA shall not relieve or decrease the liability of Vendor hereunder.

10. INDEMNIFICATION AND HOLD HARMLESS

The Vendor shall indemnify and save harmless the SCVSFSA, it's officers, agents, employees and members of the Board of Directors from any claims, loss, damage, injury and liability of every kind, nature and description including those claims that may at any time arise from any infringement of any patent right, copyright, trade secret or any other proprietary right or trademark by any of Vendor's officers, employees and/or agents in the performance of this Agreement

With respect to professional services to be provided under this Agreement, the Vendor shall indemnify and hold harmless the SCVSFSA, agents, and employees from and against any and all actions, claims, damages and losses, including attorney's fees that may arise out of Vendor's negligent acts, errors, or omissions caused by the Vendor or any employee, agent, or representative of the vendor.

With respect to claims arising under Vendor's general liability coverage, the Vendor shall indemnify and hold harmless the SCVSFSA, its agents, and employees from and against any actions, claims, damages or loss, including attorney's fees that may arise out of Vendor's activities in the performance of its services under this Agreement.

11. LIABILITY OF SCVSFSA

The SCVSFSA has no payment obligations under this Agreement. The SUPER Cooperative Recipient Agencies' payment obligations under this Agreement shall be limited to the payments provided for in Section C. "COMPENSATION," of this Agreement.

The SCVSFSA shall not be liable for any special consequential, indirect or incidental damages, including but not limited to lost profits in connection with this agreement.

12. DEFAULT; REMEDIES

- a. Each of the following shall constitute an event of default ("Event of Default") under this Agreement:
 - (1.) Vendor fails or refuses to perform or observe any term, covenant or condition contained in this Agreement.
 - (2.) Vendor (A) is generally not paying debts as they become due, (B) files, or consents by answer or otherwise to the filing against it of, a petition for relief or reorganization or arrangement or any other petition in bankruptcy or for liquidation or to take advantage of any bankruptcy, insolvency or other debtors' relief law of any jurisdiction, (C) makes an assignment for the benefit of its creditors, (D) consents to the appointment of a custodian, receiver, trustee or other officer with similar powers of Vendor or of any substantial part of Vendor's property, (E) takes action for the purpose of any of the foregoing, or (F) is the subject of any order of a court or government authority related to the Federal Bankruptcy Act.
- b. On and after any Event of Default, the SCVSFSA shall have the right to exercise its legal and equitable remedies, including, without limitation, the right to terminate this Agreement or to seek specific performance of all or any part of this Agreement. In addition, SCVSFSA shall have the right (but no obligation) to cure (or cause to be cured) on behalf of Vendor any Event of Default; Vendor shall pay to the SCVSFSA on demand all costs and expenses incurred by the SCVSFSA in effecting such cure, with interest thereon from the date of incurrence at the maximum rate then permitted by law. The SCVSFSA shall have the right to offset from any amounts due to Vendor under this Agreement or any other agreement between SCVSFSA and Vendor all damages, losses,

costs, or expenses incurred by the SCVSFSA as a result of such Event of Default due from Vendor pursuant to the terms of this Agreement.

- c. All remedies provided for in this Agreement may be exercised individually or in combination with any other remedy available hereunder or under applicable laws, rules, regulations. The exercise of any remedy shall not preclude or in any way be deemed to waive any other remedy.

13. TERMINATION FOR CONVENIENCE

- a. It is expressly understood and agreed that in the event the Vendor or SCVSFSA fails to perform its obligations under this Agreement, this Agreement shall be terminated and all the Vendor's and SCVSFSA's rights hereunder ended. Termination shall be upon ten (10) days written notice to the defaulting party, and no work will be undertaken by Vendor after receipt of the notice. In the event this Agreement is terminated by the SCVSFSA pursuant to this paragraph; the Vendor shall be paid for services performed up to the date of termination.
- b. It is further understood and agreed that the SCVSFSA may terminate this Agreement for the SUPER Cooperative's convenience and without cause at any time by giving the Vendor thirty (30) days written notice of such termination. In such an instance, the Vendor shall be entitled to compensation for services performed up to the effective date of termination.
- c. Upon receipt of written notice that this Agreement is terminated, the Vendor will submit an invoice to the SCVSFSA and the Recipient Agencies for an amount that represents the value of services actually performed up to the date of termination for which the Vendor has not previously been compensated as per paragraph 4 above. Upon approval and payment of this invoice by the Recipient Agencies, the Recipient Agencies shall be under no further obligation to the Vendor, monetarily or otherwise.

14. CONFLICT OF INTEREST

Vendor understands and certifies that it does not know of any facts which constitute a violation of the California Political Reform Act, which states in part: "[N]o public official at any level of state or local government shall make, participate in making or in any way attempt to use its official position to influence a governmental decision in which he/she knows or has reason to know he/she has a financial interest." (California Government Code Section 87100 et seq.)

15. PROPRIETARY INFORMATION OF SCVSFSA AND SUPER COOPERATIVE RECIPIENT AGENCIES

The Vendor understands and agrees that, in its performance under this Agreement or in contemplation thereof, the Vendor may have access to private or confidential information which may be owned or controlled by the SCVSFSA and/or SUPER Cooperative Recipient Agencies, and that such information may contain proprietary details, the disclosure of which to third parties will be damaging to the SCVSFSA, its employees or students. The Vendor also understands and agrees that the disclosure of such information may violate state and/or federal law and may subject the Vendor to civil liability. Consequently, Vendor agrees that all information disclosed by the SCVSFSA to the Vendor shall be held in confidence and used only in performance of the Agreement. The Vendor shall exercise the same standard of care to protect such information as is used to protect its own proprietary data.

16. OWNERSHIP OF THE RESULTS

Any interest of the Vendor in studies, reports, memoranda, computation sheets or other documents prepared by the Vendor in connection with services to be performed under this Agreement shall become the property of and will be transmitted to the SCVSFSA. However, the Vendor may retain and use copies for reference and as documentation of its experience and capabilities, but only to the extent Vendor's use does not violate Section 18 of this Agreement.

17. AUDIT AND INSPECTION OF RECORDS

The Vendor agrees to maintain and make available to SCVSFSA and each SUPER Cooperative Recipient Agency accurate books and accounting records relative to its activities under this Agreement. The Vendor will permit the SCVSFSA and each SUPER Cooperative Recipient Agency to audit, examine and make excerpts and transcripts from such books and records, and to make audits of all invoices, materials, payrolls, records or personnel and other data related to all other matters covered by this Agreement, whether funded in whole or in part under this Agreement. The Vendor shall maintain such data and records in an accessible location and condition for a period of not less than three years after a final payment under this Agreement or until after final audit has been completed, whichever is later.

18. SUBCONTRACTING

The Vendor is prohibited from subcontracting this Agreement or any services provided pursuant to this Agreement unless such subcontracting is agreed to in writing by the Lead Agency and executed in the same manner as this Agreement. No party on the basis of this Agreement shall in any way contract on behalf of or in the name of the other party of this Agreement, and violation of this provision shall confer no rights on any party and shall be void.

If a subcontract is approved by the Lead Agency it does not release the Vendor from any responsibilities toward the SUPER Cooperative.

19. ASSIGNMENT

It is understood and agreed that the services to be performed by the Vendor are personal in character and neither this Agreement nor any duties or obligations hereunder shall be assigned or delegated by the Vendor without the prior written consent of the SCVSFSA and each SUPER Cooperative Recipient Agency.

20. NON DISCRIMINATION

Vendor agrees that it shall not discriminate on the basis of sex, race, religious creed, national origin, age, marital status, sexual orientation, gender, AIDS/ARC/HIV status, or disability, in its performance under this Agreement.

21. WAIVER

Either party's failure at any time to enforce any default or right reserved to it, or to require performance of any of the Agreement's terms, covenants, or provisions by the other party at the time designated, shall not be a waiver of any such default or right to which the party is entitled, nor shall it in any way affect the right of the party to enforce such provisions thereafter.

22. MODIFICATION OF AGREEMENT

The parties may amend this Agreement in writing by mutual consent. Changes, including any increase or decrease in the amount of the Vendor's compensation, shall only be effective upon the execution of a duly authorized written amendment to this Agreement and approval by the SCVSFSA Board of Directors.

23. COMPLIANCE WITH AMERICANS WITH DISABILITIES ACT

Vendor acknowledges that, pursuant to the Americans Disabilities Act (ADA), programs, services and other activities provided by a public entity to the public, whether directly or through a vendor, must be accessible to the disabled public. Vendor shall provide the services specified in this Agreement in a manner that complies with the ADA and any and all other applicable federal, state and local disability rights legislation. Vendor agrees not to discriminate against disabled persons in the provision of services, benefits or activities provided under this Agreement and further agrees that any violation of this prohibition on the part of Vendor, its employees, agents or assigns will constitute a material breach of this Agreement.

24. COMPLIANCE WITH LAWS

Vendor shall keep itself fully informed of the applicable state and federal law affecting the performance of this Agreement, and shall at all times comply with such laws as they may be amended from time to time.

25. GOVERNING LAW; VENUE

This Agreement shall be governed by the laws of the State of California. The venue for all litigation relative to this Agreement shall be Los Angeles County.

26. SECTION HEADINGS

The section headings contained herein are for convenience in reference and are not intended to define the scope of any provision of this Agreement.

27. INTERPRETATION

The parties do not intend that the presumptions of laws or rules relating to the interpretation of contracts against the drafter of any particular clause should be applied to this Agreement or any document or instrument executed in connection herewith, and therefore waive their effects.

28. ENTIRE AGREEMENT

The entire Agreement between the parties is included herein and no warranties, expressed or implied, representations, promises, or statements have been made by either party unless endorsed herein in writing, and no change or waiver of any provision hereof shall be valid unless made in writing and executed in the same manner as this Agreement.

29. EXECUTION OF THE AGREEMENT, EXECUTION IN COUNTERPARTS

- a. Original copies of this Agreement shall be executed by the respective party's authorized signatory(ies).
- b. However, in some cases where an emergency situation arises or to expedite processes, a fax copy or copy of the contract with any revisions appropriately initialed may serve as the original contract.
- c. This Agreement may be executed in one or more counterparts, each of which shall be deemed an original agreement, but all of which shall be considered one instrument and shall become a binding agreement when one or more counterparts have been signed by each of the parties and delivered to the other.

30. SEVERABILITY

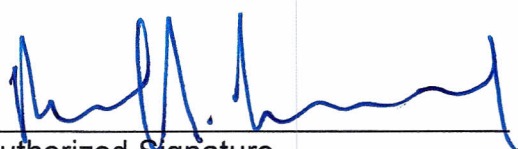
If any term or provision of this Agreement shall be found illegal or unenforceable, this Agreement shall remain in full force and effect and such term or provision shall be deemed stricken.

IN WITNESS WHEREOF the parties hereto have executed this Agreement the year and date first above written per Board Resolution #: 13-14-08/A1 approved on the following date February 18, 2014.

By: 
Authorized Signature of Vendor

Dan Massen
Name of Signatory

APPROVED:

By: 
Authorized Signature

Pavel N. Matustik
Pavel N. Matustik
Chief Executive Officer
Santa Clarita Valley School
Food Services Agency

APPENDIX A

Services Vendor Agrees to Perform

The contracted services to be provided by Vendor to the SUPER Cooperative Recipient Agencies and the SCVSFSA shall include:

- Coordinating and administering the annual meetings for SUPER Cooperative Recipient Agencies.
- Helping with the bidding process for processing of the USDA donated commodities. Including compiling all bid responses and posting them on the web.
- Calculating each SUPER Cooperative Recipient Agency's fair share of entitlement and keeping track of remaining balances using a perpetual inventory system.
- Coordinating the pre-planning process and ensuring that the CDE Food Distribution Program administration receives all required filing and reports in a timely manner.
- Promptly informing SUPER Cooperative Recipient Agencies in writing of any incoming USDA offering(s), coordinating data collection/orders, re-capping the orders and forwarding them in a timely manner to the Lead Agency for signatures.
- Tracking all the incoming commodities, comparing them against the original orders and informing the Recipient Agencies about any discrepancies.
- Tracking all deliveries of commodities (including processed commodities) from the SUPER Cooperative approved manufacturers to all member Recipient Agencies.
- Informing each SUPER Cooperative Recipient Agency of their actual remaining balance of entitlement money in fair market value dollars on a daily basis.
- Tracking volume discounts, which includes:
 - Keeping records of all delivered processed (and commercial) items to all Recipient Agencies;
 - Calculating the applicable volume discount;
 - Billing the processor; and
 - Collecting volume discounts from manufacturers and disbursing the payments to the SUPER Cooperative Recipient Agencies based on their participation in the program.
 - Disbursement of volume discounts for each fiscal year (7/1 to 6/30) should be no later than July 31st of each calendar year.
- Monitoring and validating all available balances of USDA commodities stored with processors.

- Establishing PAR stocks and average monthly usage.
- Maintaining a current master inventory of all commodities at all processors for the SUPER Cooperative.
- Informing the SCVSFSA and each participating SUPER Cooperative Recipient Agency of their current balances on a daily basis (through web access).
- Collecting CDE administrative fees and agency fees from individual Recipient Agencies and paying in timely fashion all invoices due to the Food Distribution Program Unit. Remitting the agency fees monthly.
- Checking all CDE invoices to actual deliveries and investigating and clearing any discrepancies prior to payment of the invoices.
- Sending a copy of each payment issued to the Food Distribution Program to the SUPER Cooperative Lead Agency, the SCVSFSA.
- Retaining all pertinent records regarding all proceedings in connection with SUPER Cooperative activities. Such records must be accessible to all SUPER Cooperative Recipient Agencies for audit purposes (the auditor will need read only access from a remote computer for all this information) and include the following:
 - Inventory balances and drawdowns by Recipient Agencies and by processor;
 - Inventory transfers;
 - Brown box orders from Recipient Agencies;
 - Brown box deliveries to distributor and Recipient Agencies;
 - Department of Defense allocation;
 - Department of Defense distribution;
 - CDE fees: CDE invoices, invoices to members, payments to CDE;
 - Entitlement balances and spending by Recipient Agencies; balance transfers between the Recipient Agencies; and
 - Volume discount tracking and volume discount disbursement to eligible Recipient Agencies.
 - WBSCM offerings, orders and deliveries
 - Any direct deliveries from a processor to a district
 - Proof of delivery records of any processed commodities from any processor.
- Posting electronically for Recipient Agency access all information regarding the SUPER Cooperative (bids, end product data sheets, offerings, balances, etc).
- A Recipient Agency that may not have access to the Internet shall specify a different method of communication (i.e. fax or U.S. mail.)
- The web page shall be updated daily. All SUPER Cooperative Recipient Agencies shall be immediately alerted when new information is posted.

- The web page information shall include a list of prices for all available commodity processed products as well as their non-commodity equivalents and should be organized in categories (i.e. beef, pork, pizza, Mexican foods, etc.) so it can be easily searched.
- Providing a summary of all charges to each Recipient Agency on a monthly basis. (See Appendix B – “Calculation of Charges”)

Payment of any liability to the Vendor shall be the sole responsibility of the Recipient Agency incurring the charge.

- Tracking the balance of entitlement money for each SUPER Cooperative Recipient Agency.
- Making and verifying commodity balance transfers.

Appendix B

Calculation of Charges

Fees paid by Recipient Agencies directly to Vendor

Start-Up Fee For New Recipient Agencies (One-time fee)	\$__0__ per Recipient Agency's Average Daily Participation ("ADP") This is based on the state's reported ADP for the Recipient Agency for the prior school year
Annual Renewal Fee Beginning in the second year of membership in the SUPER Cooperative	ADP 1499 and under: \$__0__ ADP 1500 and over: \$__0__
On-going charges	\$__0__
Coordination and administration of tracking volume discounts charges	<u>\$0.10/cs</u> <u>(\$0.05/cs if the discount is only \$0.10/cs)</u>
Tracking of all available balances of commodities stored with processors and keeping a perpetual master inventory for the whole SUPER Cooperative as well as individual Recipient Agencies	\$__0__
Collecting all the payments from individual Recipient Agencies and paying invoices due to the Food Distribution Program Unit	\$__0__
Making and verifying commodity balance transfers	\$__0__
Charge for accepted and diverted brown box commodity items	\$__0__ per case/sack
Department of Defense produce fee	\$__0__ per case