

**SPECIAL SESSION**  
**PINCO EXECUTIVE COMMITTEE MEETING**  
**MINUTES**  
**DECEMBER 14, 2017**  
**9:30AM**  
**PINCO SERVICE CENTER**  
**3019 16<sup>TH</sup> STREET**



**AGENDA**

**1. SIGN-IN:**

**2. ADOPTION OF AGENDA**

Adoption of December 14, 2017 Special Session Executive Committee Meeting Agenda.

**MOTION:** BCSD **SECONDED:** Panama **VOTE:** PASS (25)

**3. ADOPTION: EXECUTIVE COMMITTEE MINUTES OF OCTOBER 12, 2017**

**MOTION:** Delano Elem **SECONDED:** Lost Hills **VOTE:** PASS

**4. PUBLIC COMMENTS FROM THE FLOOR:**

Public Business from the Floor – Agendized Items and Non-Agendized Items: The public is invited to address items on the PINCO Agenda or any item that is within PINCO’s jurisdiction as constituted. Without taking action or entering into a dialog with the public, PINCO Board members may briefly respond to statements made or ask clarifying questions about topics not on the PINCO agenda. Individual speakers are limited to three (3) minutes each with the total time for public input on each item limited to fifteen (15) minutes. All persons requesting to make comments are asked to complete a public speaking form prior to the meeting. You will be asked to provide your full name, who or what you are representing and the topic as an item identified on the agenda or as a non-Agendized item. (NONE)

**5. ACTION: TERMINATION OF AGREEMENT WITH GOLD STAR FOODS**

Background: On October 27, 2017, PINCO issued Gold Star Foods a Memorandum identifying its failure to comply with the terms and conditions of PINCO Agreement #05/17-18 in providing Condiments and Granola items listed in the 2017-2018 PINCO Buying Guide. The issues noted in the Memorandum deal(t) with product availability/shortages and poor communication. PINCO gave Gold Star Foods a timeline through January 19, 2018 to establish appropriate corrective action steps in order to meet the terms and expectation of the agreement. Unfortunately Gold Star Foods has not improved in its performance as shown since the issuance of the Memorandum resulting in continued shortages impacting Member Districts operationally and financially. The Lead Agency recommends PINCO’s Executive and Advisory Committees direct the Lead Agency exercise PINCO’s option to terminate its agreement with Gold Star Foods as outlined with a formal thirty day written notice.

**MOTION:** BCSD **SECONDED:** Delano Elem **VOTE:** PASS

**It is recommended by the Executive Committee to the Advisory Committee to terminate its agreement with Gold Star Foods with a formal thirty day written notice.**

**6. ACTION: RECOMMENDATION TO ADOPT CONDIMENT/GRANOLA PRICING**

Background: With the shortages presented with Gold Star Foods’ failure to meet obligations, the Lead Agency received a quote from Sysco Foods of Ventura for condiments and granola items under agreement through June 30, 2018 allowing PINCO to provide Member Districts with products direct through the Buying Guide. In comparison to PINCO’s current agreement for condiments and granola, there is an overall advantage in pricing from a company PINCO Member Districts have worked with for successfully for many years. It is recommended PINCO’s Executive forward recommendation for PINCO’s Advisory Committee to direct the Lead Agency to

secure an agreement with Sysco Foods of Ventura for condiment and granola items through June 30, 2018 in order for PINCO to solicit RFP's for the category in 2018-2019.

**MOTION:** Lost Hills **SECONDED** Panama **VOTE:** PASS

**7. REPORTS FROM EXECUTIVE COMMITTEE MEMBERS/LEAD AGENCY**

**No Reports**

**8. UPCOMING MEETING DATES:**

**Panama talked about the PINCO Food Show and how great the show and entertainment was.**

**2017-2018**

**PINCO Executive Committee**

January 11, 2018	PINCO Administrative Offices, Lancaster	Commodity Update/RFP Prep
March 8, 2018	PINCO Administrative Offices, Lancaster	2018-2019 RFP Re-Cap
April 5, 2018	PINCO Administrative Offices, Lancaster	General Business
May 10, 2018	PINCO Administrative Offices, Lancaster	General Business, Budget
June 7, 2018	PINCO Administrative Offices, Lancaster	Year In Review/Goals

**2017-2018**

**PINCO Advisory Committee**

January 18, 2018	PINCO Service Center, Bakersfield	Mid-Year Vendor Review/RFP
March 15, 2018	PINCO Service Center, Bakersfield	Bid Awards
April 12, 2018	PINCO Service Center, Bakersfield	2018-2019 Buying Guide
May 24, 2018	PINCO Service Center, Bakersfield	Budget/Calendar
June 14, 2018	PINCO Service Center, Bakersfield	Year-End General Session

**9. ADJOURN: MOTION** BCSD **SECONDED:** Panama

**PINCO EXECUTIVE COMMITTEE MEETING  
SPECIAL SESSION  
PINCO SERVICE CENTER  
DECEMBER 14, 2017  
SIGN IN SHEET**

14 total

<b>MEMBER DISTRICT</b>	<b>REPRESENTATIVE</b>
ACTON-AQUA DULCE USD	
ALISAL USD	
AVUHSD	<i>for look Josephine</i>
ARVIN USD	
BAKERSFIELD CITY SD	<i>Brenda Joban</i>
BEARDLSEY SD	<i>Rahuma</i>
BIG PINE SD	
BISHOP UESD	
DELANO ELEM SD	<i>J. Smith</i>
DELANO HS DISTRICT	
EARLIMART SD	
EASTSIDE USD	<i>Antonio Lopez</i>
EDISON SD	<i>Barbara Herrera</i>
EL TEJON USD	
FAIRFAX SD	<i>Michelle</i>
GREENFIELD USD	
KEPPEL USD	
KERN COUNTY SUPT	<i>Michelle</i>
KERNVILLE USD	
LAMONT SD	
LANCASTER SD	<i>Debra A. Candem</i>
LONE PINE SD	
LOST HILLS SD	<i>L. P.</i>
MC FARLAND SD	
MOJAVE SD	
NORRIS SD	
PALMDALE SD	
PANAMA-BUENA VISTA SD	<i>M. Onandia</i>
RICHLAND SD	
SOUTH FORK USD	
STANDARD SD	<i>Tracy Dougherty</i>
TAFT CITY SD	
TEHACHAPI USD	
VINELAND SD	
WASCO ELEM SD	
WASCO UHSD	
WESTSIDE USD	<i>Mary Hester</i>
WILLIAM S. HART UHSD	
WILSONA SD	<i>_____</i>

DESCRIPTION	PACK**		GoldStar Pricing Case		Sysco Pricing Case	
			Unit	Case	Unit	Case
Marzetti Light Ranch Dressing Pouch	60	1.5oz	\$ 0.189	\$ 11.31	\$ 0.176	\$ 10.55
Heinz Ketchup Packet	1000	9gm	\$ 0.014	\$ 13.74		
Red Gold House Recipe Ketchup Packet	1000	9gm			\$ 0.015	\$ 15.01
Mayonnaise Packet	200	9gm	\$ 0.033	\$ 6.50	\$ 0.035	\$ 7.06
Mustard Packet	500	5.5gm	\$ 0.012	\$ 5.88	\$ 0.009	\$ 4.57
Taco Sauce Packet	200	9gm	\$ 0.025	\$ 4.99	\$ 0.023	\$ 4.58
Maple Syrup Cup	100	1.5oz	\$ 0.070	\$ 6.99	\$ 0.087	\$ 8.70
BBQ Sauce Cup	100	1oz	\$ 0.093	\$ 9.32	\$ 0.086	\$ 8.63
RedGold Marinara Sauce Indiv Dipping Cup	168	2.5oz	\$ 0.277	\$ 46.56	\$ 0.261	\$ 43.80
RedGold Salsa Individual Dipping Cup	168	3.0oz	\$ 0.354	\$ 59.54	\$ 0.326	\$ 54.76
Tajin Fruit Seasoning Low Sodium Packet	1000	0.03oz	\$ 0.041	\$ 40.78	\$ 0.040	\$ 40.11
RedGold Ketchup Sriracha Hot Chili	1000	8gm	\$ 0.024	\$ 24.09	\$ 0.023	\$ 22.58
Tapatio Picante Sauce Packet	500	7gm	\$ 0.047	\$ 23.28	\$ 0.055	\$ 27.34
Rockin' Ola Cinnamon Granola, IW	250	1oz	\$ 0.253	\$ 63.17	\$ 0.250	\$ 62.47
Rockin' Ola Choc w/marshmallows, IW	250	1oz	\$ 0.253	\$ 63.17	\$ 0.250	\$ 62.47



**To:** Gold Star Foods, Attention Sean Leer  
**From:** Joe Cook, Chairman  
**Date:** October 27, 2017  
**Re:** Failure to Meet Contractual Obligations PINCO Agreement #05/17-18

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This Memorandum serves Gold Star Foods in writing of its failure to honor the terms and conditions of PINCO Agreement #05/17-18.

Gold Star Foods has not fulfilled its obligation to supply PINCO with the material/product and services as specified under the agreement. The CD included details e-correspondence between PINCO Staff and Gold Star Foods since July, 2017; communication(s) of orders placed along with documentation identifying shortages.

Gold Star Foods' inability to perform has created logistic challenges for PINCO Members and have forced them to rely on other sources for products typically provided through their Co-Operative; impacting both financial and operational costs. Additionally, the lack of professionalism and customer service in communications and follow-through is a concern that must be corrected immediately as it is a primary factor related to Gold Star Foods' ability in delivery-of-services.

Based on your request not to terminate the agreement, PINCO will allow Gold Star Foods a reasonable period of time to address these concerns. PINCO will monitor ordering/receiving and communication activities from the date of the Memorandum until January 19, 2018. This provides Gold Star Foods the opportunity to make the necessary internal adjustments and get back to meeting the expectations of the agreement.

Gold Star Foods shall issue a corrective action statement to PINCO by November 8, 2017 outlining steps it will take to address these areas of concern. In the event Gold Star Foods fails to honor this request and not fulfill its obligations under this agreement, PINCO will exercise its option to terminate the agreement and end its current relationship with the company. Please contact me with any questions.

#### **PURCHASING**

#### **WAREHOUSING**

#### **DISTRIBUTION**

Service Center/Warehouse: 3019 16<sup>th</sup> Street, Bakersfield, CA 93301 ▪ Phone: (661) 633-2851, FAX (661) 633-2658  
Administrative Office: 44809 Beech Ave., Lancaster, CA 93534 ▪ Phone (661) 575-1054, FAX (661) 575-1056,  
E-mail: [ystubbings@avhsd.org](mailto:ystubbings@avhsd.org) Website: [www.pincoschools.com](http://www.pincoschools.com)

## Don Vegas

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**From:** Kevin Diaz [KevinDiaz@goldstarfoods.com]  
**Sent:** Wednesday, December 13, 2017 1:22 PM  
**To:** Don Vegas; Lori Fawkes  
**Cc:** John Cho  
**Subject:** Shortages for upcoming delivery 12/18

Good Morning Don and Lori,

Let me start by apologizing about some shortages that you might be having on your upcoming up delivery 12/18. At this moment we do not have product in stock and are working with the vendor to get these items. Please advise if I can move your orders if we do not receive product by delivery date. I will update as soon as product is in stock, once again my apologies for the inconvenience this may cause.

Item 201910 Taco Sauce Packets 200/9gm Short a total of 165 cases  
Item 202324 Mayonnaise Packets 200/9gm Short a total of 329 cases  
Item 240077 BBQ Sauce Cups 100/1oz Short a total of 459 cases

All other items ordered are in stock just these items above

Thank you

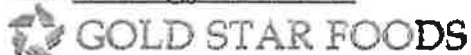
**Kevin Diaz**

**Gold Star Foods, Inc.**

**K-12 Solutions, Account Specialist**

P: (909)843-9600 ext. 737 F: (909) 843-9659

Email: [KevinDiaz@goldstarfoods.com](mailto:KevinDiaz@goldstarfoods.com)



12/14/2017



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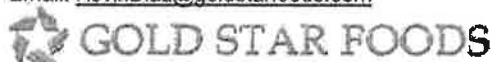
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12/14/2017