

## Request for Proposal

Page 1 of 7

**Release Date: 2/23/2021****Response Due: 3/23/2021**

### PROJECT DETAILS

#### Northeast Dairy Business Innovation Center – Transition to Grazing

The Northeast Dairy Business Innovation Center (NE-DBIC) hosted at the Vermont Agency of Agriculture, Food and Markets (VAAF), seeks multiple contractors across the Northeast region to offer localized cohort-based technical assistance for dairy farmers considering transitioning their farm to a grass-based production model.

### AGENCY/DEPARTMENT

Name: Northeast Dairy Business Innovation Center/ Vermont Agency of Agriculture, Food, and Markets

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### TIMELINE

Release Date: 2/23/2021

Contract Start Date: 4/14/2021

Responses Due: 3/23/2021

Contract End Date: 4/14/2023

### BUDGET

Minimum budget per project: \$45,000

Maximum budget per project: \$95,000

Total Funds Available (for 4-8 contractors): \$400,000

### OTHER BUDGET COMMENTS / RESTRICTIONS / INCENTIVES

None.

## Request for Proposal

### PROJECT BACKGROUND

In 2019, the Northeast Dairy Business Innovation Center (NE-DBIC), hosted by the Vermont Agency of Agriculture, Food and Markets (VAAFAM) was named one of three national USDA Dairy Business Innovation Initiative centers. The NE-DBIC supports a wide array of opportunities for dairy farmers of cows, goats, and sheep, and value-added processors across the Northeast region of the United States including New England, New England, Delaware, New Jersey, New York, and Pennsylvania. Some of this funding focuses on transitioning production systems to grazing.

Despite much success in value-added production and working across state lines, dairy farms in the Northeast, like the rest of the nation, have been under intense pressure for five years after continued record low prices and an ongoing global pandemic. An aging farmer population, a decreased amount of international trade, wholesale market closures, and a glut of milk and processed products has led to a surge in farm closures. Over the past five years, the Northeast region—like that of the nation—has experienced farm closures that equaled or exceeded rates previously. Dairy is a foundational piece of the Northeast’s rural economy, and every time a dairy farm closes the economic effects ripple outwards to direct supporting businesses such as feed dealers and beyond into the business community, impacting the fabric of rural communities.

Grazing and grass-based farming is gaining traction across the dairy industry as a response to multiple external pressures including volatile price swings, environmental concerns, and consumer demand, which means that being successful in grazing will require understanding both production strategies and processor requirements. For example, some processors have strict forage and feeding requirements to qualify for the additional pay for producing “grass milk” as that is what the consumer is demanding, specifically within the organic market. Winsight Grocery Business, in a 2018 article “Attracting Shoppers with Grass-Fed Dairy” noted that 80% of consumers who buy natural or organic products also buy grass-fed, and that products which are 100% grass-fed are the fastest growing segment in the organic market, with 34% sales growth from 2016-2018. The interest in grass-fed is closely linked with changing consumer preferences as highlighted in the Deloitte Global Dairy Sector report and McKinsey & Company article “A winning growth formula for dairy”, as consumers seek products with higher social impacts and decreased environmental concerns.

Much of the Northeast region is well-situated to fully embrace the movement towards intensive, rotational grazing given the ability to grow multiple cuttings of high-quality forages with little to no irrigation and topography which is best suited to perennial forage production and minimal tillage. Over the past few years, interest in grazing has sky-rocketed in the region, supported by processors seeking additional grass-fed milk.

Traditional technical assistance, which has been delivered for over two decades via strong partners across the region, has almost exclusively been offered one-on-one with the TA provider meeting the farm owners at the

## Request for Proposal

farm and responding to their individual circumstances. In Vermont, over the past couple of years, and infrequently before, a limited number of farmers have participated in a cohort model of business training where everyone leaves the farm for a week to attend an intensive, immersive business planning course. While the content of the course was not unlike what current TA providers covered, the cohort model was significantly different and received a strong positive response. After debriefing and evaluating the week-long cohort program, many TA providers were interested in further developing a cohort model with existing Vermont organizations to strengthen the farm community while providing peer-to-peer learning opportunities, which led to a pilot program through the first round of NE-DBIC.

This proposed workplan builds on the NE-DBIC pilot cohort model delivery system of technical assistance blended with on-farm events for five dairy producers in southern Vermont, developed and delivered by Cheryl Cesario of the University of Vermont Extension. In this pilot program—which is currently underway—all five farms are conventional, non-organic dairy producers, shipping to commodity milk markets. All farms are certified small farms, milking between 60 and 125 cows. Participants receive reading material resources, a subscription to “Graze” magazine, dry matter yield measurement tools, and exposure to speakers/consultants. Despite the impacts of COVID-19, the group has engaged in pasture walks and on-site group technical assistance related to conducting pasture dry matter yield measurements in the field; observing animal grazing behavior; observation of various tools such as types of reels and pipeline fittings; and calculations of paddock, acreage, and dry matter intake from grazing. Participants also receive individual farm visits from the service provider.

The contractors selected for these contracts will each propose a workplan which serves a cohort of at least 5 dairy farmers that are ready to make a transition to a rotational grazing model. Each farmer will receive a mixture of one-on-one and group business and technical assistance over 18-24 months. Focus areas of technical assistance under this contract will cover aspects of successful grazing (forage health, herd nutritional needs, supplies required) and business assistance (cash flow analysis, market differentiation and feasibility if producing a value-added product, capital required for any improvements). This project seeks to use this structure to address grazing transitions in a highly targeted way. Once a farmer has developed a plan with the Contractor, they will be eligible to receive non-competitive grant funds to assist in making necessary improvements to increase the likelihood of a successful and sustained grazing transition.

### STATEMENT OF WORK

The NE-DBIC seeks multiple contractors across the Northeast region to offer cohort-based technical assistance for dairy farmers considering transitioning their farm to a grass-based production model. Each cohort will consist of at least 5 dairy farms and will be available for enrollment to farms based in one or more states within New England, Delaware, New Jersey, New York, and Pennsylvania. Contractor expectations are as follows:

## Request for Proposal

- Identification and development of cohort group: April – May 2021
  - Using attendance lists from grazing seminars and pasture walks held in recent years, reach out directly to participants to generate interest in the cohort opportunity.
  - Engage producer associations to market the opportunity to their members.
  - Develop, release, and receive applications to participate in the cohort group. Application to be reviewed by NE-DBIC Contract Manager prior to release.
  - Invite applicants to participate based on the strength of application, level of commitment to transition, and physical location of farm to ensure cohort cohesion and reasonable travel distance for farmers and service provider to ensure best use of time and funds.
- Host on-farm cohort learning opportunities: June 2021 – April 2023
  - Develop and host on-farm cohort trainings, with at least six (6) occurring in total, with no fewer than two (2) occurring in 2021 and no fewer than three (3) in 2022.
    - Trainings should include visits to member farms and to successful grazing operations.
    - Training topics to include forage management strategies, water systems, animal movement, and other topics as meets the needs and interest of the cohort.
    - On farm training schedule to be reviewed and approved by AAFM Contract Manager no later than June 15, 2020.
- Provide one-on-one technical assistance to cohort members: June 2021 – April 2023
  - Meet individually with cohort members on their farm no fewer than five times.
  - Be available for phone and email assistance as needed during contract period.
  - Address the following: assessing pasture/forage quality, updating business plan and financials to reflect addition of grazing, assess project needs to determine best use of grant funds, provide guidance on animal health considerations, connect to subject matter experts, and other relevant topics.
  - Develop a plan with the individual farm for use of the grant funds.
  - Assist the farmer to apply for NE-DBIC grant funds, as needed.
- Ensure all cohort members submit a completed application to NE-DBIC for grant funds: July 2022 – March 2023
  - Grant language will be developed by NE-DBIC contract manager and supplied to Contractor no later than June 2022.

## Request for Proposal

- Contractor will assist each cohort member in a needs-assessment and plan development for targeted and effective use of grant funds.
- Cohort members must submit their grant applications to NE-DBIC via the WebGrants system (contact to be specified in grant application supplied) between July 2022 and March 2023 to implement their grazing transition for summer 2023.
- Each farm will receive a grant up to \$5,000 to pay for equipment, upgrades, or additional technical assistance related to their transition to grazing.
- Project Documentation: Ongoing
  - Contractor will keep records of outreach, applications, and interest in the opportunity throughout the contract period.
  - Contractor will keep records of topics covered during farm visits, one-on-one trainings, and which topics could not be covered due to time, location, or other restraints.
- Coordinated communication with other contracted service providers: Ongoing
  - Attend an introduction meeting of all contractors awarded in this contract round (July 2021)
  - Meet as a group at least two (2) additional times to share information, coordinate activities, support each other's works, establish relationships with similar services providers across the region, and build regional foundations for future opportunities related to grazing transition.

### TARGET AUDIENCE

Active dairy farmers (cows, goats, or sheep) located within the Northeast region (New England, Delaware, New Jersey, New York, and/or Pennsylvania) with a goal of transitioning to a grass-based production system will be the audience for this work.

### PERFORMANCE MEASURES & DELIVERABLES

- The Contractor will submit to AAFM's contract manager all documentation outlined above, unless otherwise agreed upon during the contract drafting process.
- The Contractor will independently lead events and will provide all facilitation and materials necessary for cohort members to reach indicated outcomes.
- The Contractor will provide consistent and engaging technical assistance to cohort members.
- All cohort members will submit timely, complete, and relevant applications for grant funds.

## Request for Proposal

- The Contractor will meet (in-person or via phone) quarterly with the Contract Manager to assess project status, next steps, and how to address any unforeseen challenges or opportunities.
- Successful completion of the contract shall include the following follow-up activities:
  - A participant survey seeking feedback indicating usefulness of opportunity, ability to engage with cohort and contractor, and an understanding of next steps needed to reach their goal with the results shared with contract manager no later than four (4) weeks post-event.
  - A report on recommended training and funding needs regarding transitioning farms to grazing within the dairy community to be shared with contract manager no later than five (5) weeks post event.

### SUBMISSION REQUIREMENTS

Please include the following with your response to this bid:

1. **Project approach, background, and experience.** Contractors are required to show multi-state, regional connections with other technical assistance providers. Describe how your work is collaborative across state lines, your communication strategy between organizations, and how regional partners could grow this pilot contract into a regular offering to benefit the greatest number of northeast farms.
2. **Resumes of project team leader and other team members.**
3. **Proposed activities and educational framework to be utilized, including how the opportunity will be innovative, cohort-based, and engaging.** Detail the number of cohort participants you expect to participate, the geographic area that you expect to cover, and evidence that there is interest from potential cohort participants.
4. **Project budget:** Please submit a budget, not to exceed \$95,000 that is both realistic and reasonable to complete the scope of services. Budget must tie specific activities to deliverables, with clear cost associated with each component of the proposal. Proposal shall include an hourly rate for estimated services and any related expenses to be billed, including all materials that need to be printed or purchased for attendees. All State of Vermont contracts are paid based on successful completion of deliverables and approval by the contract manager.
5. **Proposals** should include all relevant costs required to complete the work as detailed above, note any travel requirements, and include necessary costs to meet insurance requirements of State of Vermont, Standard Attachment C. All costs and activities should conform to Section 8.0 Allowable Costs and Activities of the [2020 AMS General Terms and Conditions](#).

## Request for Proposal

Page 7 of 7

6. **A Certificate of Insurance** which meets the criteria as outlined in [Attachment C](#)
7. **A Form W-9** signed within the last 6 months if respondent is not currently a state of Vermont supplier.
8. Evidence of a current registration in **SAM.gov**, the System for Award Management.