



BOARD OF SUPERVISORS
AGENDA LETTER

Agenda Number:

Clerk of the Board of Supervisors
105 E. Anapamu Street, Suite 407
Santa Barbara, CA 93101
(805) 568-2240

Department Name: Sheriff
Department No.: 032
For Agenda Of: 05/16/2023
Placement: Administrative
Estimated Time:
Continued Item: No
If Yes, date from:
Vote Required: 4/5

TO: Board of Supervisors
FROM: Department Bill Brown, Sheriff (Ext.14290)
Director (s)
Contact Info: Lt. Selim Celmeta (Ext. 14047)
SUBJECT: First Amendment to Agreement with Aramark Correctional Services, LLC for Meal Services at Correctional Facilities

County Counsel Concurrence

As to form: Yes

Other Concurrence: Risk Management

As to form: Yes

Auditor-Controller Concurrence

As to form: Yes

Recommended Actions:

That the Board of Supervisors:

- a) Approve, authorize, and ratify the Chair to execute the First Amendment to the Agreement with Aramark Correctional Services, LLC, (not a local vendor), in the amount of \$854,092 for price adjustments of food products served in the County of Santa Barbara Sheriff's Office correctional facilities for a total contract amount not to exceed \$6,455,090; and
- b) Determine that the proposed actions do not constitute a "Project" within the meaning of the California Environmental Quality Act (CEQA), pursuant to 14 CCR 15378(b)(5), in that they are government administrative activities that will not result in direct or indirect changes to the environment.

Summary Text:

On October 1, 2021, the County of Santa Barbara entered into an agreement with Aramark Correctional Services, LLC (Attachment B). This contract is scheduled to expire on September 30, 2024. Due to significant consumer price index/inflationary and related negative impacts on the vendor's cost of doing business, Aramark requested an increase to the contracted meal rates according to the "Material Adverse Change" provision in the current contract. Following an extensive negotiations and review process, the Sheriff's Office is proposing the below contract amendments, which include a 16% rate increase effective

July 1, 2022 through June 30, 2023, and an additional 5% increase effective July 1, 2023 through September 30, 2024 (the end of the contract term).

Background:

The Sheriff’s Office, Custody Support Division, has provided oversight for the jail food services for many years. Vendors who are contracted to provide a jail food service management solution for inmates incarcerated in the County of Santa Barbara Sheriff’s Office Custody Branch must provide adequate staffing, supervision, sanitation, preparation, deliver required equipment, facilitate the wholesale purchase and storage of food and supplies, and provide food to all Sheriff’s Office Correctional Facility’s staff and inmates, serving three meals a day, seven days a week including: special diets, confinement/infirmarary meals, religious and therapeutic meals, emergency meals, holiday meals, sack lunches, snack meals and staff meals.

After being awarded the contract, on October 1, 2021, Aramark Correctional Services, LLC assumed responsibility for providing food for staff and for all incarcerated individuals within the County of Santa Barbara Sheriff’s Office Correctional Facilities. To sustain the quality of the products and service provided to Santa Barbara Sheriff’s Office, Aramark exercised the “Material Adverse Change” provision under the agreement and requested a price adjustment to the meal rates. Aramark indicated that increasing the contracted meal rates was necessary based on nationwide inflation that increased the cost of food products which Aramark asserted were outside its control. On April 28, 2022, Aramark submitted a written request for price adjustments for inmate and staff meals served at County’s Correctional Facilities.

Since that time, Sheriff’s Office staff, in consultation with the CEO’s Office, has engaged in extensive contract negotiations with Aramark, including reviewing documentation of cost increases incurred by the vendor due to external market conditions, and evaluating multiple alternative courses of action for operational and fiscal feasibility. The below proposed increases are the result of those negotiations and documentation review process. Because completing negotiations took longer than anticipated, the 16% increase is proposed to be retroactive to July 1, 2022, and remain in effect through June 30, 2023.

Additionally, from July 1, 2023, through the end of the contract term (September 30, 2024), another 5% increase will take effect, which brings the total to a 21% increase from the originally contracted rate. Based on the proposed increases, effectuated meal rates will be as follows:

Meals	Current	7/1/22 – 6/30/23 (16% Increase)	7/1/23 - 9/30/24 (5% Increase)
Inmate meals (inclusive of kosher/therapeutic/religious)	\$1.225	\$1.421	\$1.492
Staff meals	\$3.590	\$4.164	\$4.372

In order to ensure cost stability to the County through the end of the contract term, Aramark agreed for Section 19. MATERIAL ADVERSE CHANGE to be removed from the contract. Additionally, contractor shall not be permitted to request additional cost or pricing increases through the end of the agreement term of September 30, 2024, including but not limited to CPI, material adverse changes, or any other unforeseen factors. Following the contract expiration, the department plans to issue a Request for Proposals to ensure the County receives the most competitive pricing and services available for its jail food services.

Fiscal and Facilities Impacts:

Budgeted: Partially

Narrative:

Funding for this contract is provided by the General Fund. In FY 2022-23, the current contracted amount is \$1,974,780 and would increase to \$2,290,745 through this amendment; this increase of \$315,965 (16%) is not currently budgeted in the department. As of the third quarter, the Sheriff’s Office is projecting approximately a \$1 million deficit at year-end, due primarily to overtime costs in excess of budget, as well as this unanticipated contract increase. There is currently \$2 million set aside of Proposition 172 funding for eligible overtime and other costs; the department and the CEO’s Office will return at fiscal year-end with a budget revision to address the actual negative variance. For FY 2023-24, the current contracted amount would further increase to \$2,405,282 through this amendment; this additional increase of \$430,502 (5%) was anticipated during budget development and is included within the department’s preliminary budget presented at the April Budget Workshops.

Fiscal Analysis:

Amounts	FY 2021-22 (3 Qtrs)	FY 2022-23	FY 2023-24	FY 2024-25 (1 Qtr)	Total
Original Contract	\$1,157,743*	\$1,974,780	\$1,974,780	\$493,695	\$5,600,998
Amendment Increase	N/A	\$315,965	\$430,502	\$107,625	\$854,092
Total	\$1,157,743*	\$2,290,745	\$2,405,282	\$601,320	\$6,455,090

*FY 2021-22 reflects a \$323,342 savings due to the delayed opening of Northern Branch Jail.

Special Instructions:

Clerk of the Board: Please send two (2) copies of the official executed agreement and two (2) copies of the Minute Orders to the Sheriff’s Office, Attention CFO Hope Vasquez, and Lt. Selim Celmeta.

Attachments:

- Attachment A: First Amendment for Services of Agreement with Independent Contractor
- Attachment B: Original Agreement
- Attachment C: Amended Section G, Meal Rates and Financial Information
- Attachment D: Board Contract Summary Form
- Attachment E: Certificate of Liability Insurance

Authored by:

Selim Celmeta, Lieutenant
 County of Santa Barbara Sheriff’s Office, South County Operations Division