



AGENDA REPORT

TO: Edward D. Reiskin
City Administrator

FROM: Sara Bedford
Director, Human Services

SUBJECT: 2021 Summer Food Service Program

DATE: March 12, 2021

City Administrator Approval 

Date: Apr 6, 2021

RECOMMENDATION

Staff Recommends That The City Council Adopt A Resolution:

- 1. Accepting And Appropriating A Summer Food Service Program (SFSP) Grant From The California Department Of Education (CDE) In The Amount Of \$426,870; And**
- 2. Awarding Professional Services Agreements (PSAs) To Upton's Inc. (DBA School Foodies) In The Amount Of \$281,250 And To Flo's Friendly Foods In The Amount Of \$229,950, To Provide Food Services From June 7, 2021 Through August 6, 2021; And**
- 3. Authorizing The City Administrator To Accept And Appropriate Additional SFSP Grant Monies That Become Available From The CDE And Donations From Private Sources During The Period Of June 7, 2021 Through August 6, 2021, Without Returning To Council; And**
- 4. Authorizing The City Administrator To Amend The PSAs With Upton's, Inc. And Flo's Friendly Foods To Increase The Amounts During The Term Of June 7, 2021 Through August 6, 2021, Without Returning To Council; And**
- 5. Authorizing Carryforward Of The Appropriations From The Fiscal Year (FY) 2020-2021 Adopted Budget In Measure HH Fund 1030 In The Approved Projects Identified For The SFSP To FY 2021-2022.**

EXECUTIVE SUMMARY

Staff recommends that the City Council adopt a resolution authorizing the City Administrator to accept the Summer Food Service Program (SFSP) grant from the California Department of Education, Nutrition Services Division in an estimated amount of \$426,870 to reimburse the

City Council
April 20th, 2021

City's SFSP for the provision of 45,000 breakfasts and 85,500 lunches to Oakland children during the grant period from June 7, 2021 to August 6, 2021. Staff also recommends that the City Council authorize agreements with Upton, Inc., (dba School Foodies) and Flo's Friendly Foods to provide food vendor services for the 2021 SFSP program.

BACKGROUND / LEGISLATIVE HISTORY

The City has provided the SFSP for thirty-six years with funding provided through the United States Department of Agriculture (USDA) Title 7 Code of Federal Regulations (CFR) Part 225 administered by the California Department of Education (CDE), Nutrition Services Division. In 2020, SFSP vendors delivered meals to 46 community sites, including 19 recreation centers, 11 public housing sites, nine community-based programs, and four faith-based programs. From June 8, 2020 through August 7, 2020 the SFSP provided 98,287 breakfasts and 98,587 lunches to children to combat hunger and ensure that families could provide nutritional meals for children while sheltering in place.

ANALYSIS AND POLICY ALTERNATIVES

The purpose of the City of Oakland's Summer Food Service program is to provide children in low-income areas with free, nutritionally balanced meals during the summer months when they are not in school. Currently, about 72 percent of the Oakland Unified School District's students qualify for free or reduced lunches during the school year. Nearly 28 percent of Oakland children live in families with income below the Federal poverty level.

The City contracts with vendors to prepare the meals for delivery directly to programs sites, including Oakland Parks, Recreation and Youth Development (OPRYD) recreation centers, Oakland Public Library (OPL) branches, Oakland Housing Authority and various community sites. SFSP's monitors ensure compliance with CDE regulations for delivering and serving meals by visiting sites daily. The program coordinator implements enrollment of sites, meal orders, trainings, trouble shooting and communication with vendors, application submission, and grant reporting. The City is reimbursed based on the meals delivered in compliance with CDE requirements.

The SFSP plan is to deliver and be reimbursed for daily breakfast and lunch meals in 2021, as was done in 2020. The City's change from delivery of lunch and a snack in 2019 to delivery of lunch and a breakfast meal in 2020 increased the reimbursement revenue anticipated for SFSP. **Table 1**, below, reflects the current reimbursement rate set by CDE for the cost of each breakfast and lunch provided by the City of Oakland SFSP and reimbursement expected in consideration of limited in-person programming vs high volume delivery. The City is projecting to deliver 45,000 breakfasts and 85,500 lunches, assuming a return to daily delivery to program sites providing in-person programming this summer. The total reimbursement of \$472,050 exceeds the grant allocation.

An alternative option is to maximize the program through delivery of up to 90,000 breakfasts and 99,000 lunches. High volumes were delivered in the summer of 2020 due to almost zero in-person programming under the Alameda County Shelter In Place Order and under the CDE

approved SFSP “grab and go” model, which allowed families to pick-up multiple meals for their children at weekly food distributions.

Table 1: California Department of Education SFSP Grant Reimbursement Rate

	Breakfast	Lunch	Total Reimbursement
CDE Reimbursement Rate	\$2.4150	\$4.25	
Option 1:			
Meal Projection	45,000	85,500	
Reimbursement by meal	\$108,675	\$363,375	\$472,050
Option 2:			
Meal Projection	90,000	99,000	
Reimbursement	\$216,900	\$420,750	\$637,650

SFSP Vendor Selection

Key goals of the SFSP in 2021 are to provide high quality meals and consistent and effective service delivery. The Request for Proposal (RFP) issued on February 5, 2021 solicited bids for breakfast and lunch under the reimbursement program. Vendor selection was based on bid price, menu and food appeal, reusable and compostable packaging, capacity to provide services and delivery, and past performance. **Table 2**, below, reflects the resulting score for the proposals. **Table 3** reflects the price per meal that vendors proposed in their bids.

Table 2: Combined Scores for Vendor Bids

Combined Score	Maximum Score (Points)	School Foodies	Flo’s Friendly Food	Choicelunch	Lunchbox Express	Fare Resources
Total	100	82.3	81.7	68.7	69.3	61.0

Table 3: Bid Prices For Delivery Direct To Sites

Vendor	Breakfast	Lunch
Choicelunch	\$3.00	\$4.65
Fare Resources	N/A	\$5.25
Flo’s Friendly Food	\$2.57	\$4.25
Lunchbox Express	\$2.85	\$4.24
School Foodies	\$2.50	\$5.00

Proposals were scored based on the quality of meals determined by a taste test, price, capacity, and past performance or experience. School Foodies and Flo’s Friendly Food received the highest scores and were the top ranked vendors. These vendors were ranked highest in taste, demonstrated capacity and successful past performance. Flo’s Friendly Foods is based in Oakland. School Foodies is based nearby in Hayward. Choice Foods and Lunchbox Express received lower scores based primarily on taste of food samples and considerations related to capacity and flexibility. Lunchbox proposed food delivery from its facility in Sacramento. Choice

proposed delivery from a distribution center in Hayward. Fare Resources submitted an incomplete bid application and was ranked lower in taste and capacity.

Vendor Award

The vendor cost is reflective of the cost of each meal between June 7, 2021 and August 6, 2021. The total CDE reimbursement is the rate of reimbursement for each meal for the duration of the program. **Table 4**, below, provides the award amounts for Flo's Friendly Foods contract based on provision of 500 daily breakfasts and 900 daily lunches and for School Foodies based on provision of 500 daily breakfasts and 1000 daily lunches. Vendor cost exceeds the actual grant reimbursement amount expected and the funds allocated for vendor costs in the budget.

Table 4: Estimated Food Service Cost Per Vendor for Proposed Service to SFSP Sites

Vendor	Meal Type	Number of Meals	Bid Price	Reimbursement rate	Vendor Cost	Vendor Award Amounts	Total CDE Reimbursement Grant
Flo's Foods	Breakfast	22,500	\$2.57	\$2.4150	\$57,825	\$229,950	\$54,337
Flo's Foods	Lunch	40,500	\$4.25	\$4.25	\$172,125		\$172,125
School Foodies	Breakfast	22,500	\$2.50	\$2.4150	\$56,250	\$281,250	\$54,337
School Foodies	Lunch	45,000	\$5.00	\$4.25	\$225,000		\$191,250
Total Vendor Cost and Reimbursement					\$511,200		\$472,049

Table 5 reflects food delivery costs based on the maximum capacity for both vendors for the period beginning June 17 through August 6, 2021. Flo's Friendly Foods has capacity to provide 1000 daily breakfasts and 1200 daily lunches. School Foodies has capacity to provide up to 1000 daily breakfasts and 1000 daily lunches.

Table 5: Estimated Service Cost Per Vendor at Maximum Capacity

Vendor	Meal Type	Number of Meals	Bid Price	CDE Reimbursement rate	Vendor Cost	Vendor Award Amounts	Total CDE Reimbursement Grant
Flo's Foods	Breakfast	45,000	\$2.57	\$2.415	\$115,650	\$345,150	\$108,900
Flo's Foods	Lunch	54,000	\$4.25	\$4.25	\$229,500		\$229,500
School Foodies	Breakfast	45,000	\$2.50	\$2.4150	\$112,500	\$337,500	\$108,900
School Foodies	Lunch	45,000	\$5.00	\$4.25	\$225,000		\$191,250

Vendor	Meal Type	Number of Meals	Bid Price	CDE Reimbursement rate	Vendor Cost	Vendor Award Amounts	Total CDE Reimbursement Grant
Totals Vendor Cost and Reimbursement					\$682,650		\$638,550

FISCAL IMPACT

The total cost for the SFSP program is approximately \$880,977, inclusive of total vendor costs of \$511,200, funded primarily by the SFSP grant from the CDE along with funding from the Sugar Sweetened Beverage Tax Fund (1030). The appropriation for the SFSP grant is included in the Fiscal Year (FY) 2020-2021 Adopted Budget in the Department of Agriculture Fund (2102), Year-Round Lunch Program Organization (78241), HSD Summer Food Program Project (1004170), and Award (23405) in the amount of \$426,870 to offset food vendor costs in the amount of \$399,660, program supplies in the amount of \$2,321, and internal service charges of \$24,889. The appropriation for SFSP personnel costs of 4.0 full-time equivalent (FTE) staff and overhead is included in the Adopted Budget in Measure HH (Fund 1030), Year-Round Lunch Program Organization (78241) Administrative Project (1003817), and (Award 23469) in the amount of \$259,346. The appropriation in the Adopted Budget in Measure HH (Fund 1030), Year-Round Lunch Program Organization (78241) in HSD Administrative Project (1000017) in the amount of \$152,115 covers additional costs for contracted food vendors to enhance portion size and meal quality and additional operating costs for auto rentals and City car expenses. The appropriation in Measure HH (Fund 1030) in HSD Summer Food Program Project (1004170) covers internal service charges of \$42,646.

Table 6 summarizes the funding sources for SFSP. Additional sources of funding are anticipated from Alameda County – Oakland Community Action Program and, not shown, a retroactive payment in the amount of \$124,555 from the CDE as a supplemental reimbursement for approved meals from summer 2020.

Table 6: Funding Sources for SFSP 2021

Fund Source	Org.	Project	Award	AMOUNT
CDE SFSP Grant (2102/1004170)	78241	1004170	23405	\$426,870
Measure HH SSBT (1030) HSD Administrative Project	78241	1000017	23469	\$152,115
Measure HH SSBT (1030)	78241	1003817	23469	\$259,346
Measure HH SSBT (1030)	78241	1004170	23405	\$42,646
Total				\$880,977

PUBLIC OUTREACH / INTEREST

To encourage local food vendors to submit proposals for the City's contract for meal preparation and delivery, staff conducted outreach to announce the formal competitive process. An RFP announcement was advertised in the Bay Area Newsgroup. Public outreach for the SFSP occurs through a press release and the use of visible banners at all community site locations to publicize the free lunch program in low-income communities.

COORDINATION

The Budget Bureau, Oakland Parks and Recreation and Youth Development Department, Office of the City Attorney and Department of Workplace and Employment Standards were consulted in the preparation of this report and resolution.

PAST PERFORMANCE, EVALUATION AND FOLLOW-UP

School Foodies delivered meals to SFSP sites in 2017, 2018, 2019, and 2020. Flo's Friendly Food first delivered food for SFSP in 2020. The City will again monitor to ensure reusable and compostable packaging, timely delivery of meals, control of temperature during delivery, and delivery of complete and undamaged meals. The SFSP program will also assess the quality of meals provided through surveys and site compliance through site visits.

SUSTAINABLE OPPORTUNITIES

Economic: The SFSP provides temporary part-time employment opportunities for six to eight program monitors. Provides economic benefits to families by providing up to two free meals per day to children participating in programs in low-income communities served by the SFSP.

Environmental: Reusable, compostable and recyclable materials are used to package all meals provided to the SFSP program. The Environmental Services Division of Oakland Public Works assists with waste reduction efforts at City sites.

Race & Equity: The SFSP provides access to free and nutritious meals for low-income children. Improvements in nutritional intake are linked to performance in school and overall child health and wellness.

ACTION REQUESTED OF THE CITY COUNCIL

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For questions regarding this report, please contact Sandra Taylor, Human Services Manager (510) 238-7163.

Respectfully submitted,



SARA BEDFORD
Director, Human Services Division

Reviewed by:
Sandra Taylor, Manager
Children and Youth Services Division

Prepared by:
Liston Hulse, Program Analyst
Children and Youth Services Division