



AGENDA REPORT

TO: Jestin D. Johnson
City Administrator

FROM: Joe DeVries
Deputy City Administrator

SUBJECT: 2023 Summer Food Service Program

DATE: September 18, 2023

City Administrator Approval

Date: Sep 21, 2023

RECOMMENDATION

RESOLUTION AMENDING RESOLUTION NO. 89745 C.M.S., WHICH APPROPRIATED SUMMER FOOD SERVICE PROGRAM GRANT FUNDS AND AWARDED PROFESSIONAL SERVICE AGREEMENTS FOR FOOD SERVICES, TO:

- 1. MODIFY THE COMPENSATION AMOUNTS AND TERMS OF THE PROFESSIONAL SERVICE AGREEMENTS WITH UPTONS INC. (DBA SCHOOL FOODIES), FLO'S FRIENDLY FOODS, LLC, THE ALAMEDA COUNTY DEPUTY SHERIFF'S ACTIVITIES LEAGUE INC, COOK AND RUN INC., AND GOLDEN SAFARI RESTAURANT & BAKERY, LLC TO PROVIDE FOOD SERVICES FROM MAY 30, 2023 THROUGH AUGUST 4, 2023; AND**
- 2. AUTHORIZE THE CARRYFORWARD OF UNSPENT FISCAL YEAR 2022-2023 FUNDS IN AN AMOUNT NOT TO EXCEED \$793,850 TO FISCAL YEAR 2023-2024**

EXECUTIVE SUMMARY

Staff recommends that the City Council adopt a resolution that amends resolution 89745, specifically pertaining to the agreements with Upton, Inc., (School Foodies), Flo's Friendly Foods, Cook and Run Inc, Alameda County Deputy Sheriff's Activities League (Dig Deep Farms), and Golden Safari Restaurant & Bakery. These modifications are necessitated by a significant increase in demand that prompted the need to expand the number of meals provided for the 2023 SFSP program. Specifically, the snack quantity was augmented from 40,000 to 60,000, while the lunch count was increased from 82,500 to 90,000. Additionally, in response to the extended program duration, the end date is proposed to be adjusted from July 28 to August 4.

As was noted in the report to Council on May 16, 2023 the five vendors were chosen through a competitive Request for Proposals (RFP) carried out by the Oakland City Administrator's Office.

BACKGROUND / LEGISLATIVE HISTORY

The City has provided the SFSP for thirty-eight years with funding provided through the United States Department of Agriculture (USDA) Title 7 Code of Federal Regulations (CFR) Part 225

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October 3, 2023

administered by the California Department of Education (CDE), Nutrition Services Division. In 2022, SFSP vendors delivered meals to 45 community sites, including 17 recreation centers, 21 community-based programs and 7 libraries. The SFSP provided 39,320 breakfasts and 62,437 lunches to children last summer.

On May 17, 2022, Council approved resolution [81916 C.M.S.](#) which awarded Professional Services Agreements (PSAs) to two vendors to provide food service at 35 sites. Members of the Council expressed their desire for the program to be expanded in order to address rising food insecurity in Oakland and instructed City staff to return to Council at a later date with a plan to increase the size of the program. On June 7, 2022, a [report](#) was submitted to Council containing recommendations to add new sites and vendors to the program.

On December 6, 2022, an [informational report](#) about the 2022 program was submitted to City Council, containing steps that would be taken to continue to expand the program. These included an expansion of sites, increasing the vendor pool, waste reduction, and improved customer satisfaction.

On May 16, 2023, Council approved resolution [89745 C.M.S.](#) which accepted a \$426,870 grant from the California Department of Education, Nutrition Services Division to reimburse the City of Oakland's SFSP for the provision of 40,000 snacks and 82,500 lunches from May 30, 2023 to July 28, 2023. It also authorized agreements with School Foodies, Flo's Friendly Foods, Cook and Run Inc, Dig Deep Farms, and Golden Safari to provide food vendor services for the 2023 SFSP program.

ANALYSIS AND POLICY ALTERNATIVES

The purpose of the City of Oakland's Summer Food Service program is to provide children in low-income areas of Oakland with free, nutritionally balanced meals during the summer months when they are not in school. The City contracts with vendors to prepare both breakfast and lunch for delivery directly to Oakland Parks, Recreation and Youth Development (OPRYD), and lunch for Oakland Public Library (OPL) and a variety community sites. SFSP's coordinator and Site Monitors ensure compliance with all CDE regulations for transporting, delivering, and serving meals by visiting sites daily. Staff coordinates the ordering of meals for all sites, training of site staff to ensure program compliance, communication with vendors, and state required submissions including the application, site enrollment data, and reporting for reimbursement. The City is reimbursed based on the meals delivered in compliance with CDE and USDA requirements.

Key goals of the SFSP in 2023 were to provide high quality meals and consistent and effective service delivery to children in communities that may or are experiencing food insecurity.

During the implementation of the Summer Food Service program, it came to our attention that several sites initially underestimated the daily meal requirements. These sites projected smaller numbers of meals needed per day, which proved to be insufficient. As a result, there was a significant disparity between the estimated and actual number of meals required. This unexpected surge in demand necessitated careful analysis and policy considerations to address the shortfall effectively.

Furthermore, some sites, that had initially requested only lunch services, later revised their orders to include both lunch and a snack. This change reflects the evolving needs of the program participants and highlights the importance of accommodating their nutritional requirements adequately.

Additionally, our library sites specifically requested an extension of the program end date. The program had originally planned to conclude on July 28 but these sites expressed the need for the program to continue until the end of the first week of August. Their request aligns with the desire to maximize the program's impact and ensure continued access to nutritious meals for the community during the summer break. Consequently, staff evaluated this request and determined the feasibility of extending the program accordingly.

Furthermore there was an error in the previous resolution regarding the naming of Golden Safari. The resolution incorrectly stated the name as Golden Safari Restaurant & Bakery, Inc, whereas the correct designation should be Golden Safari Restaurant & Bakery LLC. It is crucial that we rectify this mistake and modify the resolution accordingly to ensure accurate representation and documentation of the involved parties.

Given these critical observations and requests, it is necessary to address the increased meal demands, accommodate the revised meal specifications, evaluate the extension of the program end date, and rectify the naming error in the previous resolution. **Table 1** below lists the CDE Reimbursement Rate and **Table 2** reflects the price per delivered meal that vendors proposed in their bids.

Table 1: California Department of Education SFSP Grant Reimbursement Rate:

CDE Reimbursement Rate	Snack	Lunch
	\$1.17	\$4.87

Table 2: Bid Prices for Delivery Direct to Sites

Vendor	Snack	Lunch
Flo's Friendly Food	\$2.88	\$6.88
Upton Inc. dba School Foodies	\$1.85	\$6.50
Cook and Run	\$3.00	\$7.00
Dig Deep Farms	\$3.00	\$7.00
Golden Safari	\$2.50	\$7.50

Both School Foodies and Dig Deep Farms willingly agreed to include snack provisions in their services, despite initially submitting bids exclusively for lunch offerings. School Foodies set the price for each snack at \$1.85, while Dig Deep Farms has established a rate of \$3.00 per snack.

Table 3 reflects the numbers of meals to be delivered by each vendor, the cost, and the final cost after reimbursement has been received by the CDE.

Table 3: Estimated Food Service Cost Per Vendor for Lower Total Breakfast and Lunch Service, to SFSP Service Sites

Vendor	Meal type	Number of meals	Bid Price	Reimbursement rate	Vendor Cost	Total CDE Reimbursement Grant	Total Cost after CDE Reimbursement Grant
Flo's Friendly Foods	Snack	20,000	\$2.88	\$1.17	\$57,600	\$23,400	\$34,200
Flo's Friendly Foods	Lunch	25,000	\$6.88	\$4.87	\$172,000	\$121,750	\$50,250
Cook and Run, Inc	Snack	15,000	\$3.00	\$1.17	\$45,000	\$17,550	\$27,450
Cook and Run, Inc	Lunch	20,000	\$7.00	\$4.87	\$140,000	\$97,400	\$42,600
School Foodies	Snack	5,000	\$1.85	\$1.17	\$9,250	\$5,850	\$3,400
School Foodies	Lunch	20,000	\$6.75	\$4.87	\$135,000	\$97,400	\$37,600
Dig Deep Farms	Snack	7,500	\$3.00	\$1.17	\$22,500	\$8,775	\$13,725
Dig Deep Farms	Lunch	12,500	\$7.00	\$4.87	\$87,500	\$60,875	\$26,625
Golden Safari	Snack	12,500	\$2.50	\$1.17	\$31,250	\$14,625	\$16,625
Golden Safari	Lunch	12,500	\$7.50	\$4.87	\$93,750	\$60,875	\$32,875
Total					\$793,850	\$508,500*	\$285,350*

The Vendor Cost is reflective of the cost of each meal between May 30, 2023 and August 4, 2023. The Total CDE reimbursement is the rate of reimbursement for each meal for the duration of the program. The grant amount received from the CDE remains unchanged at \$426,870. To cover the difference, the remainder will be offset using Measure HH funding, as outlined in the Fiscal Impact section.

After taking into account the CDE reimbursement, the total cost to the city is determined by calculating the difference between the vendor cost per meal and the CDE reimbursement rate per meal. Consequently, the actual cost to the City, after factoring in the \$426,870 CDE reimbursement, is \$366,980.

The following citywide priorities are supported by this work:

1. Holistic community safety
2. Housing, economic, and cultural security

There are no policy alternatives for consideration.

FISCAL IMPACT

The total cost for the vendors for SFSP is approximately \$793,850, funded by the SFSP grant from the CDE and augmented with local funding from the Sugar Sweetened Beverage Tax Fund. The SFSP grant from the CDE includes appropriations of \$426,870 for revenue received/anticipated retroactively for SFSP 2023. Measure HH Sugar Sweetened Beverage Tax Fund (1030) (SSBT) will provide \$152,115 and is available to offset vendor meal costs for enhanced quality and larger meal portions, and for sites that do not qualify for reimbursement due to insufficient income qualifying children but still demonstrate need to ensure healthy meals for children. The final list of sites that do not qualify will be contingent upon income qualifying information provided by families. The third source of funding is \$214,865 from Measure HH HSD – Healthy Kids Program. **Table 4** summarizes the funding sources for SFSP.

Table 4: Funding Source for SFSP 2023

Adoption of this resolution authorizes the City Administrator or designee to negotiate, award, and execute grant agreements in a total amount not to exceed \$793,850. Funding for this contract is carried forward from the FY 2022-23 Fiscal Year and is available in the following funding sources:

Fund	Org.	Project	Amount
CDE SFSP Grant (2102/1004170)	78241	1004170	\$426,870
Measure HH SSBT (1030)	78241	1000017	\$152,115
Measure HH HSD (1030)	78241	1003817	\$214,865
Total			\$793,850

PUBLIC OUTREACH / INTEREST

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. These contracts were initially awarded through a competitive request for proposal process that was advertised in accordance with the City’s Purchasing Ordinance and other relevant policies.

PAST PERFORMANCE, EVALUATION AND FOLLOW-UP

We have sent surveys to all participating sites to monitor the performance of our vendors to ensure the delivery of high-quality meals, the use of reusable and compostable packaging, timely delivery of meals, control of temperature during delivery, and delivery of complete and undamaged meals.

These evaluations will ensure that we maintain the high standards of the program and make any necessary adjustments to improve the delivery of meals.

We believe that this approach will help us maintain the quality of the program and ensure that we continue to meet the needs of the community. We will continue to work with our vendors and monitor the program to ensure its success.

SUSTAINABLE OPPORTUNITIES

Economic: Through the use of small businesses as program vendors, we are able to support local entrepreneurship and contribute to the economic growth of the community.

Environmental: As was noted in the report to Council on May 16, 2023, reusable, compostable and recyclable materials are used to package all meals provided to the SFSP program. The Environmental Services Division is continuing to assist with waste reduction efforts at City sites and supporting compliance with State mandate SB 1383 to reduce waste.

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. Participating sites in SFSP are required to meet the USDA standards for free and reduced-price meals. Area eligibility is determined based on location on USDA-provided map.

ACTION REQUESTED OF THE CITY COUNCIL

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For questions regarding this report, please contact Michael Akanji, City Administrator Analyst, at 238-6454.

Respectfully submitted,



JOE DEVRIES
Deputy City Administrator

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Analyst