



COUNTY OF SONOMA

575 ADMINISTRATION
DRIVE, ROOM 102A
SANTA ROSA, CA 95403

SUMMARY REPORT

Agenda Date: 7/22/2025

To: County of Sonoma Board of Supervisors

Department or Agency Name(s): Department of Health Services

Staff Name and Phone Number: Nolan Sullivan, 707-565-4774; Jan Cobaleta-Kegler, 707-565-5157

Vote Requirement: Majority

Supervisory District(s): Countywide

Title:

Food Preparation and Delivery Services Amendment

Recommended Action:

Authorize the Director of Health Services, or their designee, to amend the contract with Lemus Family Enterprise Inc., doing business as Taqueria Sol Azteca, for food preparation and delivery services at the 440 Arrowood Behavioral Health Bridge Housing interim shelter. The amendment, subject to review and approval by County Counsel, will amend the scope, increase the contract not-to-exceed amount by \$433,523, from \$100,000 to \$533,523, and extend the term through October 31, 2025.

Executive Summary:

The Department of Health Services (hereinafter, "DHS" or "the Department") contracted with Lemus Family Enterprise Inc. dba Taqueria Sol Azteca, for food preparation and delivery services for the 440 Arrowood Behavioral Health Bridge Housing interim shelter. The current contract for food services was approved for a total contract amount of \$100,000 to cover the term January 3, 2025, to July 31, 2025 under the delegated authority of the Purchasing Agent with approval of a single source waiver, while the Department worked to release a formal request for proposals for supplemental food services as needed by the Department.

As the Department completes the formal solicitation process, the need for continued food service remains at 440 Arrowood. In order to continue food service while the Department completes the formal solicitation, the Department is requesting your Board approve amendment number one to the existing agreement to extend the term for an additional three months, from July 31st to October 31st, and amend the scope to increase the provision of meals from two to three per day. This amendment would also increase the total contract amount by \$433,523, for a new not-to-exceed amount of \$533,523. This amendment will cover food services to avoid negative impacts to vulnerable interim site guests, for the period of time needed to determine a final award of contract.

Discussion:

Arrowood Facility Background

In 2022, the California Department of Health Care Services (DHCS) launched the Behavioral Health Bridge Housing (BHBH) Program to fund counties and Tribal entities in operating bridge housing settings for individuals experiencing homelessness who have serious behavioral health conditions, including serious mental illness and/or substance use disorders.

The Department applied for BHBH Round 1 funding in May 2023 and was awarded \$11,246,961. A major project funded by this grant is an 80-bed transitional recovery and community re-entry facility at 440 Arrowood Drive in Santa Rosa. The facility spans 25,414 square feet and includes 43 bedrooms, accommodating up to 80 individuals via shared rooms, when appropriate. The facility opened on February 2, 2025.

Lemus Food Preparation and Delivery Agreement

On January 3, 2025, the Department executed an agreement with Lemus Family Enterprise Inc. dba Taqueria Sol Azteca for a term of January 3, 2025, through July 31, 2025, for an amount not to exceed \$100,000. The agreement was executed under the Purchasing Agent's delegated authority to secure food preparation and delivery to the site until other food preparation options are secured. It was originally intended that the contract with Lemus Family Enterprise Inc. would provide two meals per person per day, and the site operator, Felton Institute, would provide one cold meal a day as an interim plan during kitchen renovation. The renovations have been too extensive to allow for food prep to occur during the construction period, including a lack of refrigeration; therefore, it is not feasible for the site operator to provide meal service during this period of time. This temporary setback results in the need to amend the Lemus Family Enterprise Inc. contract, increasing service delivery to account for the three meals per day currently being provided from the original two meals per day. The increase must also account for the site operating at maximum capacity (80 individuals/day) whereas the original contract included months assuming lower capacity due to ramp-up time towards full occupation.

On May 28, 2025, the Department released a request for proposals for an entity to provide supplemental food services to Department clients on an as-needed basis. This will allow the Department to implement an agreement for food service on short notice and with less turnaround effort and time when the need for food provision arises at a location which serves clients. Applications are due July 9th and the resulting contract will not be finished before the end of the current agreement with Lemus, which is why the extension of this contract is needed. Once the RFP is awarded, any additional food needs beyond this contract extension can be handled with a task order, until the kitchen renovations are complete.

As the Department continues the formal solicitation process, food service at 440 Arrowood remains essential. DHS has worked with County Purchasing on a Single Source Waiver for a bridge contract with Lemus pending the results of the formal procurement. The Department is seeking Board approval of an amendment to the current agreement to maintain uninterrupted food services for up to an additional three months.

Strategic Plan:

This item directly supports the County's Five-year Strategic Plan and is aligned with the following pillar, goal, and objective.

Pillar: Healthy and Safe Communities

Goal: Goal 1: Expand integrated system of care to address gaps in services to the County's most vulnerable.

Objective: Objective 2: Identify gaps in the Safety Net system of services and identify areas where departments can address those gaps directly, and seek guidance from the Board when additional resources and/or policy direction is needed.

Racial Equity:

Was this item identified as an opportunity to apply the Racial Equity Toolkit?

No

Prior Board Actions:

On January 28, 2025, the Board authorized the Director of Health Services, or designee, to execute an agreement with Felton Institute to provide Bridge Housing supportive services and site management at 440 Arrowood Drive, Santa Rosa, for an initial term from date of execution and ending June 30, 2027 in an amount not to exceed \$5,038,810, subject to review and approval by County Counsel, and to execute up to two (2) additional one-year renewal options for a maximum five-year agreement value of \$9,274,590, based on funding availability; authorized the Director of Health Services, or designee, to execute modifications to the agreement with Felton Institute to increase the total not-to-exceed amount up to \$500,000 in order to address increased service needs or other contractual amendments, subject to available funding and review and approval by County Counsel; authorized the Director of Health Services, or designee, to enter a Memorandum of Understanding with the County of Marin Department of Health and Human Services with a three-year term ending December 31, 2027, for the dedicated use of 20 beds at 440 Arrowood Drive, Santa Rosa; adopted a Resolution authorizing budgetary adjustments to the Department of Health Services Fiscal Year 2024-2025 Adopted Budget by increasing revenue appropriations by \$140,000 to offset budgeted expenditures. (4/5th Vote Required)

On October 24, 2023, the Board delegated authority to the Public Infrastructure Department Director to execute a lease agreement, in form approved by County Counsel, with Arrowood Holdings, LLC as Landlord, for a 25,414 square foot, 43 bedroom rehabilitation center at 440 Arrowood Drive, Santa Rosa, for a term of eight (8) years commencing approximately December 1, 2023, at an initial monthly rent of \$47,016 (\$1.85/sf/month), with annual rent escalations of three percent (3%), with one option to extend the lease term an additional five (5) years.

FISCAL SUMMARY

Expenditures	FY 25-26 Adopted	FY26-27 Projected	FY 27-28 Projected
Budgeted Expenses	\$433,523		
Additional Appropriation Requested			
Total Expenditures	\$433,523		
Funding Sources			
General Fund/WA GF			
State/Federal	\$433,523		
Fees/Other			
Use of Fund Balance			
Contingencies			
Total Sources	\$433,523		

Narrative Explanation of Fiscal Impacts:

There is no fiscal impact for the fiscal year 2025-2026, as the Department currently has sufficient appropriations to absorb the costs. This request seeks approval to amend the existing contract with Lemus

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Family Enterprise Inc. dba Taqueria Sol Azteca, increasing the not-to-exceed amount to \$533,523. The proposed increase of \$433,523 will be allocated in FY 2025-2026. The expenditures will be fully supported by the Behavioral Health Bridge Housing state grant awarded by the Department of Health Care Services.

Staffing Impacts:			
Position Title (Payroll Classification)	Monthly Salary Range (A-I Step)	Additions (Number)	Deletions (Number)

Narrative Explanation of Staffing Impacts (If Required):

None

Attachments:

Attachment 1 - Draft Amendment

Related Items "On File" with the Clerk of the Board:

None