



# City of San Antonio

## Agenda Memorandum

**File Number:**

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**Agenda Item Number:** 23

**Agenda Date:** November 21, 2024

**In Control:** City Council A Session

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**DEPARTMENT:** Health Department

**DEPARTMENT HEAD:** Claude Jacob

**COUNCIL DISTRICTS IMPACTED:** Citywide

**SUBJECT:**

Agreements with River City Produce Co. Inc. and Nino's Fresh Cut Fruit and Veg., LLC to provide fresh produce for Metro Health's Healthy Corner Stores initiative.

**SUMMARY:**

This ordinance authorizes the execution of agreements with River City Produce Co. Inc. and Nino's Fresh Cut Fruit and Veg., LLC to provide fresh produce, for the City of San Antonio Metropolitan Health District's (Metro Health) Healthy Corner Stores initiative in the amounts of \$25,000.00 and \$15,000.00, respectively, in a cumulative amount up to \$40,000.00 for terms beginning December 1, 2024 through September 30, 2025, with options to renew for four, one-year terms for a total cumulative amount up to \$200,000.00, inclusive of renewals. Funding is available from the General Fund FY 2025 Adopted Budget. Funding for subsequent years is contingent upon City Council approval of the annual budget and funds.

This ordinance authorizes the City Manager or designee to execute an amendment in the following circumstances: (A) an increase in contract funding in an amount not exceeding (a) twenty-five percent (25%) of the total amount of this contract or (b) \$25,000, whichever is lesser amount; provided, however, that the cumulative total of all amendments increasing funding and executed without City Council approval pursuant to this subsection during the term of this contract shall not exceed the foregoing amount; (B) no cost extensions up to two years; and (C) modifications to the

Scope of Work due to the adjustment described in subsection (A) of this Section or for any other reason, so long as the terms of the amendment are reasonably within the parameters set forth in the original Scope of Work.

## **BACKGROUND INFORMATION:**

Submitted for City Council consideration and action are agreements with River City Produce Co. Inc. and Nino's Fresh Cut Fruit and Veg., LLC to provide fresh produce to the stores participating in the City's Healthy Corner Stores initiative.

In April 2019, the Healthy Neighborhoods program launched the Healthy Corner Stores initiative as a pilot project to address low food access areas with eight member stores in City Council District 3 based on a proposal from the Food Policy Council of San Antonio. Healthy Corner Stores has since grown to 45 member stores in Districts 1 through 7 as of September 2024. Operated by Metro Health through the Healthy Neighborhoods Program, Healthy Corner Stores has provided more than 300,000 pounds of produce and over 50 types of fruit and vegetables to the community.

The Healthy Corner Stores initiative increases community access to healthy foods by making fresh and affordable produce available at corner stores across San Antonio. The program provides member stores with technical assistance, a commercial refrigerator and reduces the cost of produce from wholesale distributors by engaging in a two-year cost share model. The program also provides culturally tailored marketing materials to build awareness of the program to potential customers and engages in several outreach and educational activities. Through these strategies, a sustainable sales model for providing affordable produce has emerged in long-standing low food access areas.

The City issued a Request for Proposals (RFP) for "Healthy Corner Stores Program Produce Vendor(s)" (RFP 24-090, 6100017886) on April 12, 2024, with a submission deadline of June 14, 2024. The RFP was advertised in the HartBeat, TVSA channel, the City's Bidding & Contracting Opportunities website, the San Antonio e-Procurement System (SAEPS) and an email notification was released to a list of potential respondents. A total of three proposals were received and all three proposals were deemed eligible for review.

The evaluation committee included representatives from Metro Health. The Finance Department, Procurement Division assisted by ensuring compliance with City procurement policies and procedures. The evaluation of each was based on a total of 100 points: 30 points were allotted for Experience, Background and Qualifications; 30 points were allotted for Proposed Plan; 15 points were allotted for respondent's Price Schedule; 5 points were allotted for the Small Business Enterprise (SBE) Prime Contract Program; 5 points were allotted for the Minority/Women-Owned Business (M/WBE) Prime Contract Program; 10 points were allotted for the Local Preference Program; and 5 points were allotted for the Veteran-Owned Small Business Preference Program. Additional categories of consideration included references and financial qualifications.

The evaluation committee met for an initial evaluation to discuss and score the three responsive proposals on July 18, 2024, and after initial scoring, the committee's recommendation was to conduct interviews with all three firms. The evaluation committee reconvened for interviews and

discussion on August 21, 2024. After interviews, the evaluation committee discussed and scored the shortlisted firms based on the aforementioned criteria. Individual scores were submitted, and aggregate scores were presented. After all three recommendations for award were agreed upon by the evaluation committee, final scores were revealed. River City Produce Co. Inc., Nino's Fresh Cut Fruit and Veg., LLC and Sarah Olivarez dba Dawn's Harvest were recommended for award by the evaluation committee. During contract negotiations, Sarah Olivarez dba Dawn's Harvest withdrew their response, thus only River City Produce Co. Inc. and Nino's Fresh Cut Fruit and Veg., LLC are being recommended for award.

The initial term of the contract will begin December 1, 2024 and will be through September 30, 2025, with options to renew for four, one-year terms.

### **ISSUE:**

Metro Health requests City Council authorize the execution of agreements with River City Produce Co. Inc. and Nino's Fresh Cut Fruit and Veg., LLC to provide fresh produce, to support efforts to increase community access to fresh produce, implemented by Metro Health's Healthy Neighborhoods Program in the amounts of \$25,000.00 and \$15,000.00, respectively, in a cumulative amount up to \$40,000.00 for terms beginning December 1, 2024 through September 30, 2025, with options to renew for four, one-year terms for a total cumulative amount up to \$200,000.00, inclusive of renewals. Funding is available from the General Fund FY 2025 Adopted Budget.

This contract will be awarded in compliance with the Small Business Economic Development Advocacy (SBEDA) Program, which requires contracts be reviewed by a Goal Setting Committee to establish a requirement and/or incentive unique to the particular contract in an effort to maximize the amount of small, minority, and women-owned business participation on the contract.

The Goal Setting Committee applied the Small Business Enterprise (SBE) Prime Contract Program with five (5) evaluation preference points, and the Minority/ Women-Owned Small Business Enterprise (M/WBE) Prime Contract Program with five (5) evaluation preference points, these will be awarded to a SBEDA eligible Prime Contractor if they are a certified SBE and M/WBE firm, located within the San Antonio Metropolitan Statistical Area. River City Produce Company, Inc. was the only firm eligible to receive points, they were awarded 10 evaluation preference points.

The Local Preference Program applied to this contract and two of the three recommended firms are local businesses.

The Veteran-Owned Small Business Preference Program applied to this contract; however, none of the recommended firms are veteran-owned small businesses.

### **ALTERNATIVES:**

Should City Council choose not to approve this ordinance, Metro Health will need to re-solicit services for the provision of fresh produce for stores participating in the Healthy Corner Stores initiative which will disrupt access to fresh produce for the community.

**FISCAL IMPACT:**

This ordinance authorizes the execution of agreements with River City Produce Co. Inc. and Nino's Fresh Cut Fruit and Veg., LLC to provide fresh produce, in the amounts of \$25,000.00 and \$15,000.00, respectively, in a cumulative amount up to \$40,000 for terms beginning December 1, 2024 through September 30, 2025, with options to renew for four, one-year terms for a total cumulative amount up to \$200,000.00, inclusive of renewals. Funding is available from the General Fund FY 2025 Adopted Budget. Funding for subsequent years is contingent upon City Council approval of the annual budget and funds.

**RECOMMENDATION:**

Staff recommends approval.

This contract was procured by means of a Request for Proposals and Contracts Disclosure Forms are required.