

COUNTY OF MILWAUKEE
Inter-Office Communication

DATE: April 16, 2021

TO: Marcelia Nicholson, Chairwoman, Milwaukee County Board of Supervisors

FROM: Shakita LaGrant-McClain, Director, Department of Health and Human Services
Prepared by Carrie Koss Vallejo, Program and Planning Coordinator, DHHS Division on Aging

SUBJECT: **Report from the Director, Department of Health and Human Services, requesting authorization to amend the 2021 non-professional services catering contracts with Aramark Correctional Services, LLC and D&S Food Services, Inc.**

Issue

The Director, Department of Health and Human Services, is requesting authorization to amend two 2021 non-professional services contracts with Aramark Correctional Services and D&S Food Services, Inc. for the preparation of meals through the Milwaukee County Senior Meal Program.

Background

The Milwaukee County Senior Meal Program began in 1972 and is administered through the Milwaukee County DHHS-Division on Aging (MCDA). The nutrition program is funded with federal Older Americans Act funds, participant contributions, and other revenues. The purpose of the program is to sustain the independence and well-being of seniors by preventing costly health problems related to nutrition and social isolation. Nutrition is a key aspect of the comprehensive network of services provided by MCDA for Milwaukee County's older adults.

The existing catering contracts with D&S Food Services, Inc. and Aramark were the result of a Request for Proposals (RFP) process that MCDA coordinated in 2017. The RFP geographically divided the county into two service areas (Zone One and Zone Two), each containing about one-half of existing congregate meal sites and one-half of the home-delivered meal dispatch sites. After the review process was completed, Aramark was selected to serve Zone One and D&S Food Services was selected to serve Zone Two.

Aramark Correctional Services LLC is a national company with headquarters in Philadelphia. They have a long-standing partnership with Milwaukee County dating back almost 20 years. During that time, the County's partnership with Aramark has expanded from managing food service at the House of Correction and Jail to providing commissary service to those facilities and providing food service at the Detention Center located at the Vel R. Phillips Youth and Family Justice Center and the Behavioral

Health Division. Aramark uses its production center at the House of Correction to produce the meals under this contract. The facility is a state-of-the-art facility with full cook and chill capabilities. The facility also has a complete bakery with the capacity to produce fresh-baked bread for meals.

D&S Food Services is a locally-owned company headquartered in Menomonee Falls. The company has provided food services and food service contract management since 1958. D&S has been a successful partner with MCDA's Senior Meal Program for nearly 20 years and has a proven track record of successfully delivering high quality meals that are highly rated by participating seniors.

The Senior Meal program served 707,748 meals to 6,893 individuals in 2020. In 2020, the home-delivered meals program (Meals on Wheels) served 2,322 individuals and served 348,032 meals. The remainder of the meals would usually have been served by the congregate meal program, which served 55,054 meals to 3,067 clients while it was operating from January-March 2020. After that point, the Division on Aging and its vendors switched to home-delivered and carry-out meals as a preventative measure for the COVID-19 pandemic. This change of services did not create a single day without meal service for the older adult residents of Milwaukee County, and 304,550 carry out meals were distributed to 3,402 people. An additional 112 meals were provided as emergency meals.

Program Budget

The DHHS-Division on Aging awards funds to provider agencies based on allowable costs, availability of federal, state and local funds, anticipated usage by older persons, and changing service needs. The Division receives Older Americans Act funds to pay for the food provided by these catering entities. In November 2020, the Division on Aging recommended a 1 percent increase in the per-meal reimbursement rate for both caterers, which was approved by the County Board in File No. 20- 893. Increasing the rate per meal by 1 percent did not match the increase in cost of food to the caterers, which was 1.9 percent in 2019 and 3.4 percent in 2020¹. It did help the caterers to meet more of their costs and continue to prepare healthy, delicious meals that are appealing to senior diners in the face of rising costs.

Recently, Division on Aging staff has been told by State Department of Health Services (DHS) that additional funding, made possible through the passage of the federal Consolidated Appropriations Act of 2021, will soon be allocated to DHHS to supplement existing Division on Aging meal program services. DHHS recommends utilizing part of this forthcoming allocation to increase the per meal price for these two caterers to match the pace of increasing food costs more closely.

¹ "Changes in Consumer Food Price Indexes, 2018 through 2021". USDA Economic Research Services. <https://www.ers.usda.gov/webdocs/DataFiles/50673/CPIforecast.xlsx?v=964.8> Accessed 3/31/2021

The Division on Aging proposed increase would change the price per meal for the caterers as follows:

Caterer	Current meal pricing	With 3% increase
Aramark	\$4.91	\$5.06
D&S	\$5.19	\$5.35

In order to serve the same number of meals at these increased prices, the not-to-exceed limit on these contracts would be increased by \$48,328, from \$1,610,944 to \$1,659,272, for Aramark Correctional Services and by \$56,886, from \$1,896,202 to \$1,953,088, for D&S Food Services.

Racial Equity Impact

The Division on Aging has routinely reviewed its programs and services through the racial equity framework and found that in 2019, just under half (44 percent) of the older adults served through the Senior Dining Program were people of color. The percentage of people of color using this program has increased in the past year to the point where now almost half (48 percent) of current diners are people of color.

Recommendation

It is recommended that the Milwaukee County Board of Supervisors authorize the Director, Department of Health and Human Services, to amend the contracts with Aramark Correctional Services, LLC in a not-to-exceed amount of \$1,659,272, and D&S Food Services, Inc in a not-to-exceed amount of \$1,953,088 for the period January 1, 2021 through December 31, 2021.

Fiscal Impact

Funding for this contract extension will have no direct fiscal impact on the County and will not require additional tax levy. Sufficient funds have been allocated to the DHHS-Division on Aging through the Older Americans Act and the Consolidated Appropriations Act of 2021.

A fiscal note form is attached.

Shakita LaGrant-McClain

Shakita LaGrant-McClain, Director
Department of Health and Human Services

cc: County Executive David Crowley
Sup. Jason Haas, Chair, Finance Committee
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