REPORT/RECOMMENDATION TO THE BOARD OF SUPERVISORS OF SAN BERNARDINO COUNTY AND RECORD OF ACTION

May 6, 2025

FROM SHANNON D. DICUS, Sheriff/Coroner/Public Administrator

SUBJECT

Amendment to Contract with Aramark Correctional Services, LLC, for the Commissary Services to County Detention Facilities

RECOMMENDATION(S)

Approve **Amendment No. 6 to Contract No. 16-913** with Aramark Correctional Services, LLC, including a non-standard term, for the provision of commissary services to County detention facilities, at no cost to the County, extending the term by one year, for a new total contract term of December 6, 2016, through May 31, 2026.

(Presenter: Carolina Mendoza, Chief Deputy Director 387-3760)

COUNTY AND CHIEF EXECUTIVE OFFICER GOALS & OBJECTIVES

Operate in a Fiscally-Responsible and Business-Like Manner. Provide for the Safety, Health and Social Service Needs of County Residents.

FINANCIAL IMPACT

Approval of this item will not result in the use of Discretionary General Funding (Net County Cost). The commissary services are provided at no cost to the County. Revenue generated from this contract – based on a 38% commission of sales or a Minimum Annual Guarantee (MAG) of \$2,750,000, whichever is greater – funds the cost of service and provides revenue to the Sheriff/Coroner/Public Administrator's (Department) Inmate Welfare Fund (4420005167) in accordance with Penal Code section 4025, subdivision (a).

BACKGROUND INFORMATION

Penal Code section 4025, subdivision (a) establishes the authority for the Department to provide commissary services to inmates housed at the County's detention facilities. Through these services, inmates and their families and friends can purchase personal care and food items. A percentage of the sales is deposited into the Inmate Welfare Fund to provide educational, vocational, and life skills programs for inmates.

The extension of the term of Contract No. 16-913 (Contract) through May 31, 2026 is required due to unforeseen delays associated with the transition to the new vendor selected and awarded a new contract, as a result of a competitive process, to continue the commissary services.

Additionally, the Department and Aramark negotiated a 3% increase in commissary prices for products available to inmates to purchase, which aligns with the increase in the Consumer Price

Index for the January 2024 through January 2025 period. The price increase will take effect only during the recommended contract extension period of May 31, 2025, through May 31, 2026.

On December 6, 2016 (Item No. 69), resulting from a competitive bid process, the Board of Supervisors (Board) awarded the Contract to Aramark Correctional Services, LLC (Aramark), to provide commissary services for the period of December 6, 2016, through February 5, 2022, with the option to extend the term for two one-year periods or one two-year period.

On July 23, 2019 (Item No. 44), the Board approved Amendment No. 1 to the Contract with Aramark. This amendment removed the cost of indigent kits to the County, removed the transactional internet cost from the computation of commissionable revenue, revised the termination date to coincide with the last day of the month (February 28, 2022) to allow for simpler computations of commission (MAG) and a more logical start date in case of transition between vendors, formalized the rectification process, and revised the "Schedule of Commissary Deposits and iCare Package Service – Handling Fees" to reflect these changes.

On February 8, 2022 (Item No. 56), the Board approved Amendment No. 2 to the Contract with Aramark. This amendment extended the term of the Contract by two years, for a new total contract term of December 6, 2016, through February 29, 2024.

On February 27, 2024 (Item No. 54), the Board approved Amendment No. 3 to the Contract with Aramark. This amendment extended the term of the Contract by three months, for a new total contract term of December 6, 2016, through May 31, 2024, allowing for completion of a new procurement process.

On May 21, 2024 (Item No. 91), the Board approved Amendment No. 4 to the Contract with Aramark. This amendment extended the term of the Contract by six months, for a new total contract term of December 6, 2016, through November 30, 2024. Additionally, due to the reduction in the average daily inmate population housed at the County's detention centers, the Department and Aramark negotiated a reduction of the sales commission rate from 43% to 38%, to take effect during the Contract's extension period.

On November 5, 2024 (Item No. 48), the Board approved Amendment No. 5 to the Contract with Aramark. This amendment extended the term of the Contract by six months, for a new total contract term of December 6, 2016, through May 31, 2025, maintaining the approved sales commission of 38%.

Amendment No. 6 to the Contract with Aramark contains the following non-standard contract term that differs from the standard County contract language:

- 1. The total Contract term is 9 years and 5 months.
 - The County's standard contract term is five years, including any extensions.
 - <u>Potential Impact</u>: Not extending the Contract may cause for commissary services to stop after May 31, 2025. The Department believes the contract extension is in the best interest of the County to allow for services to continue uninterrupted and to provide additional time to the newly-awarded commissary service provider to complete its transition and installation of equipment process at the detention centers.

While this is a notable exception to the County's standard contract language, the Department recommends approval of Amendment No. 6 with Aramark, including the non-standard term, through May 31, 2026 to continue offering commissary services to County detention facilities.

Either party may terminate the contract upon ninety (90) days' advance written notice. County Counsel has reviewed and provided input on the Amendment.

PROCUREMENT

The Purchasing Department concurs that a justification exists to extend the current contract allowing for uninterrupted services. County Policy 11-04 requires that contracts exceeding a five-year term must be approved by the Board.

REVIEW BY OTHERS

This item has been reviewed by County Counsel (Grace B. Parsons, Deputy County Counsel, 387-5455) on March 31, 2025; Purchasing (Jason Cloninger, Lead Buyer, 387-0321) on March 31, 2025; Finance (Erika Rodarte, Administrative Analyst, 387-4919) on April 17, 2025; and County Finance and Administration (Valerie Clay, Deputy Executive Officer, 387-5423) on April 18, 2025.

Amendment to Contract with Aramark Correctional Services, LLC, for the Commissary Services to County Detention Facilities May 6, 2025

Record of Action of the Board of Supervisors San Bernardino County

APPROVED (CONSENT CALENDAR)

Moved: Curt Hagman Seconded: Joe Baca, Jr. Ayes: Col. Paul Cook (Ret.), Jesse Armendarez, Dawn Rowe, Curt Hagman, Joe Baca, Jr.

Lynna Monell, CLERK OF THE BOARD

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DATED: May 6, 2025



- cc: Sheriff/Coroner Mendoza w/agree Contractor - c/o Sheriff/Coroner w/agree File - w/agree
- MBA 05/8/2025