

## COUNTY OF SAN DIEGO

## AGENDA ITEM

#### BOARD OF SUPERVISORS

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DATE: December 9, 2025

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**TO:** Board of Supervisors

#### **SUBJECT**

UPDATE ON THE COUNTYWIDE FOOD CONTRACT (DISTRICTS: ALL)

#### **OVERVIEW**

On December 5, 2023 (26), the San Diego County Board of Supervisors (Board) adopted Board Policy B-75, County of San Diego Sustainable, Equitable, and Local Food Sourcing Policy. Board Policy B-75 outlines six value categories to guide the County of San Diego's (County) food procurement process: local sourcing, equity-informed sourcing, elevated labor standards, organic or regenerative certification, low-carbon intensity, and nutritional co-benefit.

On March 12, 2024 (9), the Board directed the Chief Administrative Officer to issue a competitive solicitation for a Countywide food contract; require tracking of Board Policy B-75 values; return to the Board; and develop an action plan to support local businesses.

Today's action requests that the Board receive an update on the countywide food contract with Sysco Foods (Sysco) effected as of September 2024 and the progress made in implementing Board Policy B-75. This update summarizes progress under the Sysco contract, primarily used by the San Diego Sheriff's Office (SDSO) and Edgemoor Distinct Part Skilled Nursing Facility (DPSNF), and outlines efforts to implement Board Policy B-75.

# RECOMMENDATION(S) CHIEF ADMINISTRATIVE OFFICER

1. Receive an update on the Countywide Food Contract and progress in implementing Board Policy B-75.

#### **EQUITY IMPACT STATEMENT**

The County serves millions of meals each year to some of the most vulnerable individuals in the region. The Countywide food contract supports Board Policy B-75 by ensuring food procurement benefits local food producers, workers, and businesses owned and/or operated by underserved communities. Sysco, the County's food distributor, has begun incorporating equity-informed sourcing and elevated labor standards into its supplier engagement, with staff working to build the systems needed to measure progress. Partnerships with local organizations such as the San Diego Food Hub and Freshpoint have been launched to connect equity-focused growers and food businesses into the procurement pipeline.

#### SUSTAINABILITY IMPACT STATEMENT

This action supports the County's Sustainability Goals by strengthening local economies, reducing the carbon footprint of food purchases, and increasing access to nutritious and sustainable food. Recent dietary procurement shifts of more poultry and less red meat have improved delivery of both nutritional and environmental outcomes. Progress in sourcing certified organic and regenerative products also supports the County's goals to reduce pollution, promote environmental justice, and protect community health. For example, Sysco, working with the San Diego Food Hub has expanded access to regional farms to supply regenerative and organic products.

#### FISCAL IMPACT

There is no fiscal impact associated with this recommendation. There will be no change in net General Fund cost and no additional staff years.

#### **BUSINESS IMPACT STATEMENT**

The Countywide Food Contract requires Sysco to include local suppliers in its catalog. Pilot efforts, such as integrating strawberries from a local producer, show how regional farms and businesses can be integrated into large-scale food operations. Engagements with the San Diego Food Hub and Freshpoint, Sysco's specialty produce farm, continue to expand the pipeline of small, local growers. Through collaboration with the San Diego Food Hub, Sysco is connecting small farms and producers, offering new market opportunities for businesses historically excluded from contracts of this scale.

#### ADVISORY BOARD STATEMENT

N/A

#### **BACKGROUND**

On June 8, 2021 (3), the San Diego County Board of Supervisors (Board) initiated the Sustainable, Equitable, and Local Food Sourcing Program (Program) under the American Rescue Plan Act (ARPA). This led to the adoption of Board Policy B-75 establishing six value categories to guide food procurement. County of San Diego (County), Public Health Services (PHS) facilitates the Program and works with all County food service operations to advance the six value categories: local sourcing, equity-informed sourcing, elevated labor standards, organic or regenerative certification, low-carbon intensity, and nutritional co-benefit.

On March 12, 2024 (9), the Board directed the Chief Administrative Officer to issue a competitive solicitation for a Countywide food contract; require tracking of Board Policy B-75 values; return to the Board; and develop an action plan to support local businesses. The County contract with Sysco became effective in September 2024. The contract is primarily used by the San Diego County Sheriff's Office (SDSO) and the Edgemoor Distinct Part Skilled Nursing Facility (DPSNF) to provide food and related services to individuals in the County's care or custody.

On May 20, 2025 (18), the County presented a year-two update, including progress metrics across all eight County food service operations and updates on the Sysco contract and local supplier engagement. These actions collectively support a systems-level strategy to align County food procurement with Board Policy B-75 values, leveraging the Sysco contract to expand access to

qualifying products and shift regional food systems toward sustainability, equity, and local economic development. Furthermore, this partnership has the potential to shift the food system positively as Sysco, a large national supplier, makes operational changes in alignment with Board Policy B-75 that impact the region and beyond.

#### Data and Metrics to Track Progress of Board Policy B-75

Sysco is required to track and report progress on the six value categories, including spend by category, supplier diversity, and sustainable food availability. Reports are provided quarterly and annually, and progress is reviewed during quarterly meetings. The County is working with Sysco to refine additional tracking mechanisms to ensure measurable outcomes. The Department of Purchasing and Contracting (DPC) worked with PHS, who facilitates the overall Program, Office of Evaluation, Performance, and Analytics (OEPA), and the consultant previously under contract with the County to finalize the transition of data collection and reporting responsibilities to the County. The consultant delivered the final data and dashboard on October 3, 2025, after which DPC, PHS, OEPA, and the consultant coordinated integration efforts to ensure continuity in reporting and maintain effective tracking of Board Policy B-75 progress. Beginning in October 2025, DPC and OEPA assumed responsibility for maintaining data metrics and analytic reporting to support ongoing evaluation and ensure transparency of Board Policy B-75 outcomes for the Countywide contract. This framework allows for more frequent tracking once food service programs are able to provide data on a regular basis.

The County has continued to implement Board Policy B-75 through both the Countywide food contract with Sysco, which serves the SDSO and Edgemoor DPSNF, and through supporting the remaining food service operations which operate under separate food management service contracts. The overall focus remains on sourcing food that supports local economies, advances equity, improves nutrition, and reduces environmental impacts.

#### **Local Sourcing**

During the most recent fiscal year approximately \$12 million was spent on food and related products through the Sysco contract. Of this amount, an estimated \$303,833, or about 2.5%, qualified as local sourcing, defined as purchases from suppliers located within 250 miles of San Diego County. As an early adopter of this type of program in the region, these incremental increases suggest continued movement toward expanding market access for local farmers and suppliers as part of a long-term systems-building initiative designed to shift how and from whom we source food. At the same time, challenges continue in the fresh produce category. Many local suppliers have limited capacity, meaning they may not be able to grow enough product, deliver consistently, or meet all quality and safety requirements.

In some cases, there is only one vendor available to supply them. For example, certain specialized products used in institutional settings are only available through a limited number of suppliers. As a result, departments must rely on the sole available vendor that meets the required safety, security, and operational standards. If that vendor has shortages or delivery issues, there are no backup options. This combination makes it difficult to expand local purchasing in this area. To address these constraints, DPC and Sysco will continue to focus on onboarding additional regional growers into the supplier catalog and providing targeted technical assistance to local suppliers in collaboration with partners such as the San Diego Food Hub. Importantly, Sysco has been working

with the County to share increased production location information, necessary to identify and track local producers and vendors.

#### **Equity-Informed Sourcing**

Over the past fiscal year, the County's qualifying equity-informed spend, for the Countywide food contract with Sysco, increased by \$384,162. Sysco has begun identifying and engaging suppliers that meet equity-informed criteria, including farms owned or operated by historically underserved entrepreneurs. This foundational work is essential to advancing equitable procurement practices. The County is working with Sysco to identify and onboard more qualifying producers thereby expanding offerings.

In Fiscal Year 2024-25, the SDSO demonstrated meaningful progress in advancing this value category, increasing the amount of the total food spend that qualifies under the equity informed category. This advancement was made possible through enhanced vendor data transparency, that includes clear information of where products come from and targeted procurement strategies that include intentional purchasing decisions that weigh equity, cost and operational needs. By providing clear information on where products originate and making supply data accessible, Sysco enables more equitable opportunities for local and smaller-scale producers to participate in the supply chain. This transparency helps identify gaps, match suppliers with demand, and ensure that historically underrepresented producers can be effectively included in sourcing decisions. Key to this progress was the SDSO's expanded engagement with vendors who operate in a rural, economically underserved region and demonstrates a strong commitment to community-based employment and sustainability.

Edgemoor (DPSNF) has improved in this category due to identification of minority and woman owned businesses providing product to Sysco and the facility's ability to substitute items identified in this category. The engagement and collaboration of Food Service Operators such as the SDSO and Edgemoor (DPSNF) are essential to supporting Sysco and advancing the Board Policy B-75. By working closely with Sysco and using the new B-75 Order Guide in the online ordering portal, departments can easily view a curated list of products identified by consultants as meeting one or more of the six Board Policy B-75 value categories. This helps departments identify aligned products and vendors, informs menu planning, and supports more intentional purchasing decisions that create opportunities for local producers and increase the number of purchases that qualify under Board Policy B-75.

#### Elevated Labor Standards

The County's qualifying spend in this category for the Countywide food contract increased from \$2.4 million in Fiscal Year 2021-22 to \$4.2 million in Fiscal Year 2024-25. The Countywide contract requires distributors and suppliers to comply with established labor standards, including nondiscrimination, wage and hour protections, and prohibitions on involuntary labor. Importantly, Sysco's San Diego distribution center holds a union contract which supports Board Policy B-75's value category of elevated labor standards. Sysco has begun communicating these expectations to its suppliers and has initiated preliminary compliance reviews to promote awareness and alignment. However, a consistent, supplier-level verification process and periodic monitoring framework are still needed to ensure accountability and transparency. To address this, DPC has begun working with the Office of Labor Standards and Enforcement (OLSE) and Sysco on

developing a verification protocol and reporting approach. The goal is to have this framework in place by the end of the fiscal year to support consistent compliance tracking and stronger oversight moving forward.

In addition, OLSE is working to develop a procurement compliance dashboard, now in Question and Answer testing across the county, that will centralize labor-standards information for all current and potential County contracted vendors including food-contracted suppliers. This tool will consolidate data from multiple external databases and County departments into a single system. The dashboard will allow DPC and OLSE to quickly identify contractors with wage theft, paid sick leave, or related violations and integrate investigator findings into routine monitoring. This will create a more consistent, data-driven verification process and strengthen ongoing oversight across the supplier network.

#### Organic and Regenerative Certification

Organic and Regenerative Certification assesses purchases based on certain third-party certifications such as USDA certified organic, Rainforest Alliance, Animal Welfare Approved, among others. Over the last fiscal year, the qualifying spend amount under the Countywide food contract has remained the same at approximately \$9,210. Initial integrations of certified organic and regenerative products are underway. For example, organic strawberries from a local producer were recently added to the catalog and have already been purchased. Sysco and the County will continue to identify priority organic and regenerative product lines and expand catalog availability while providing procurement and logistics support to growers to meet volume and packaging requirements.

In Fiscal Year 2024-25, the SDSO continued to face challenges in advancing this value category. This limited progress is largely attributed to several systemic barriers, including the higher cost of certified organic products, limited availability of qualifying items through existing vendors, and the operational constraints of meeting California Title 15 nutritional requirements within a fixed budget. Additionally, many organic and regenerative producers are smaller-scale operations that may not yet be integrated into the County's large-scale procurement systems. Despite these challenges, the SDSO did make a small gain through shifting some purchases through a vendor that supplied certified organic foods. This demonstrates that with targeted vendor engagement and product identification, incremental progress is possible. Edgemoor DPSNF has not been able to improve in this value category since 2023. This stagnancy is primarily due to Sysco's lack of organic item availability. Great progress could be made in using organic produce however little is available through the vendor and what is available are items the facility rarely uses.

#### Low-Carbon Intensity

Over the past fiscal year, the County's overall carbon footprint metric for the Countywide food contract was mixed with one operation, increasing slightly from 4.33 to 4.9 pounds of carbon dioxide per meal and another decreasing from approximately 3.12 to 2.89 pounds of carbon dioxide per meal. However, purchasing patterns have shifted toward lower-carbon food items, reflecting progress in reducing climate impacts associated with County meals. Poultry purchases increased by 70%, while red and processed meat purchases decreased from 82% to 76% resulting in an overall 6% reduction in meat purchases. There are strategic shifts toward plant-forward menu planning, including increased purchases of fruits, vegetables, legumes, and minimally processed

grains, and a corresponding reduction in red and processed meats, which are among the highest contributors to food-related greenhouse gas emissions. These shifts indicate meaningful movement toward lower carbon intensity, though current data limitations prevent precise calculation of associated greenhouse gas (GHG) reductions. To strengthen reporting accuracy, DPC will continue to work with Sysco to incorporate product-level emissions factors into the performance dashboard and finalize a methodology for quantifying GHG benefits of dietary shifts in future reporting periods.

#### Nutritional Co-Benefit

Nutritional Co-Benefit is calculated through a checklist and assessments focused on increases in whole or minimally processed foods, increases in fruit, vegetables, and whole grains, and reduction in red or processed meats. Over the past fiscal year, red and processed meat purchases decreased from 82% to 76%, reflecting a continued shift toward poultry and other lean and plant-based protein sources. This transition supports improvements in the nutritional quality of meals served across County facilities. The shift away from red meat has positive implications for both public health and sustainability goals.

In Fiscal Year 2024-25, the SDSO made notable progress in advancing the Nutritional Co-Benefit value category, improving its performance on several criteria for this value category, including sodium and added sugar reduction, healthy beverage offerings, and the use of low-sodium dressings. These changes were supported by technical assistance, vendor collaboration, and internal menu planning efforts that balanced nutritional quality, cost-efficiency, and operational feasibility. Edgemoor DPSNF has improved in the category since 2022. Improvement is shown by a decrease in the following areas: Animal Product Weight (-3.8%), Carbon Footprint (-11.8%), Water Footprint (-12.8%), Carbon Footprint per Meal (-13.5%), and Water Footprint per Meal (-14.5%). These decreases have been attributed to a reduction in red meat and animal product usage. The current Summer/Fall menu cycle was revised to reduce red meat entrée offerings by 10%. "Meatless Monday" meals were incorporated to help increase offerings of plant-based proteins. More fruits and vegetables were incorporated into the menu at breakfast, of which local and organic items were used as availability permitted.

### **Engagement Strategy for Cultivating Local Food Suppliers**

The County, in partnership with Sysco and community organizations, has implemented a coordinated supplier development strategy to ensure small, local, and diverse businesses have fair access to large-scale food contracts. In October 2024, the County issued a supplier bulletin clarifying Sysco's procurement requirements and outlining a clear pathway for local firms. Building on this, a supplier training series was launched in January 2025 and continued through September, covering procurement procedures, food safety compliance, packaging and labeling standards, and strategies for scaling operations. These sessions were designed to help local suppliers, farmers, ranchers, food producers, and small distributors understand the Countywide contract requirements, compete effectively, and align with the six value categories established under Board Policy B-75.

To further expand outreach, the County and Sysco participated in community events, shared informational materials, and directly contacted more than 500 local edible crop growers to raise awareness of Board Policy B-75 and available contracting opportunities. In collaboration with

local organizations, the County developed a directory of roughly 500 local food suppliers that meet one or more Board Policy B-75 value categories. This directory is used to identify potential vendors, broadening the pool of suppliers and contributing to a measurable increase in sourcing from local and regional businesses. These efforts have also fostered greater interest from County departments in supporting local suppliers, strengthening the regional food system.

Technical Assistance programs offered through the Office of Economic Development & Government Affairs' Small Business Unit will work to support small businesses as they navigate the County's procurement process, as well as assist in expanding stakeholder collaborations. Building on this effort, the County will continue to reduce barriers for suppliers by simplifying non-regulatory compliance requirements, improving transparency in the procurement process, and expanding training and technical assistance. The County will also maintain collaboration with key stakeholders—including the Farm Bureau, Food Shed, and Freshpoint—through initiatives such as the Food Justice Community Action Plan (FJCAP) to build a supplier base that supports the County's equity and sustainability goals.

Future strategies include exploring specialty contracts for dairy, produce, bakery, and meat items to increase availability of value-aligned products and reduce costs. Cooperative ordering pools, technical assistance grants, and interim regional sourcing partnerships will be considered to address capacity gaps. SDSO plans to allocate a portion of its food services budget specifically for local sourcing and establish direct contracts with local vendors for produce and bread. Edgemoor DPSNF will revise its Winter/Spring menu to reduce red meat offerings by 10 percent, continue "Meatless Monday" meals, and increase the use of local and organic fruits and vegetables. Both facilities are leveraging menu planning and supplier engagement to advance multiple Board Policy B-75 value categories simultaneously, including Nutritional Co-Benefit, Low-Carbon Intensity, and Organic or Regenerative Certification.

Through these combined efforts, the County aims to strengthen local and diverse supplier participation, improve procurement equity, and further advance sustainability, nutrition, and labor standards across all County food service operations. This work, combined with broader sustainability and equity efforts to enhance economic prosperity, earned the County national recognition through the Supplier Engagement award at the 2025 Sustainable Purchasing Leadership Council (SPLC) Leadership Awards. The County was also named a top-five government performer in sustainable procurement through the SPLC Navigator program, which assesses and supports sustainable procurement across all sectors and organization types.

#### **Next Steps**

DPC and Sysco will continue targeted outreach and supplier capacity-building with partners such as the San Diego Food Hub and the Farm Bureau. With the help of OEPA and PHS, the collection and evaluation of the Sysco Countywide contract data will transition from the previous technical assistance consultant to an internal process. Sysco will continue to expand its catalog's availability of priority organic and regenerative product lines. County and Sysco will provide technical support to help growers meet volume and packaging requirements. If capacity gaps persist in specific categories, staff will research concepts such as cooperative ordering pools, technical assistance grants, or interim regional sourcing partnerships to maintain contract reliability while continuing to grow local participation.

PHS will continue to facilitate the Sustainable, Equitable, and Local Souring Program (Program) and Food Services Leadership Committee (FSLC) to support all eight County food service operations in maintaining and progressing in their action plans, sharing their data, and supporting OEPA with analysis processes. The FSLC was formed by PHS and is made up of all County food service operations and other key County stakeholders such as DPC, Office of Sustainability and Environmental Justice, and now OEPA. It has served as the central coordination group for development and implementation of the Program and Board Policy B-75, and where information on the Program and Board Policy B-75 can be shared with the food service operations and other County stakeholders more broadly.

#### LINKAGE TO THE COUNTY OF SAN DIEGO STRATEGIC PLAN

This initiative aligns with the County of San Diego's 2025-2030 Strategic Plan by advancing sustainability, equity, and economic development. Incorporating Board Policy B-75 into food procurement strengthens the local food system, promotes economic resilience, and enhances community well-being through increased access to healthy, locally sourced foods. These efforts contribute to a sustainable, equitable, and community-focused food procurement strategy that benefits San Diego County residents.

Respectfully submitted,

EBONY N. SHELTON Chief Administrative Officer

ATTACHMENT(S) N/A