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**SUBMITTAL TO THE BOARD OF SUPERVISORS  
COUNTY OF RIVERSIDE, STATE OF CALIFORNIA**

**FROM:** Department of Mental Health

**SUBMITTAL DATE:**  
May 20, 2015

**SUBJECT:** Approve the Increase to the Blanket Purchase Order (BPO) with Licensed Board & Care Facilities Sadler Healthcare, Inc., for FY14/15. (District: All) [\$475,000 ongoing]. State

**RECOMMENDED MOTION:** That the Board of Supervisors:

1. Approve and authorize the Purchasing Agent to increase the purchase order for the licensed board and care services with Sadler Healthcare, Inc., from \$100,000 to an increase of \$130,000 annually, for FY14/15;
2. Exempt the Purchasing Agent from the sole source requirement when adding new vendors not to exceed \$100,000 without securing competitive bids in accordance with Ordinance 459 while staying within the Board approved aggregate amount of \$475,000; and
3. Authorize the Purchasing Agent, in accordance with Ordinance No. 459, based on the availability of fiscal funding, to move the funds among the vendors listed in Attachment A that do not exceed \$475,000, and authorize changes to the scope of services/work that do not change the substantive terms of the purchase order through June 30, 2015.

(Continued on page 2)

JW:TJ

*Jerry Wengerd*  
Jerry Wengerd, Director  
Department of Mental Health

FINANCIAL DATA	Current Fiscal Year:	Next Fiscal Year:	Total Cost:	Ongoing Cost:	POLICY/CONSENT (per.Exec. Office)
COST	\$ 475,000	\$ 0	\$ 475,000	\$ 475,000	Consent <input type="checkbox"/> Policy <input checked="" type="checkbox"/>
NET COUNTY COST	\$ 0	\$ 0	\$ 0	\$ 0	
<b>SOURCE OF FUNDS:</b> 100% State				<b>Budget Adjustment:</b> NO	
				<b>For Fiscal Year:</b> 14/15	

**C.E.O. RECOMMENDATION:** APPROVE

**County Executive Office Signature** BY: *Elizabeth J. Olson*  
Elizabeth J. Olson

**MINUTES OF THE BOARD OF SUPERVISORS**

On motion of Supervisor Washington, seconded by Supervisor Benoit and duly carried by unanimous vote, IT WAS ORDERED that the above matter is approved as recommended.

**Ayes:** Jeffries, Tavaglione, Washington, Benoit and Ashley  
**Nays:** None  
**Absent:** None  
**Date:** June 16, 2015  
**xc:** Mental Health, Purchasing

Kecja Harper-Ihem  
Clerk of the Board  
By: *Kecja Harper-Ihem*  
Deputy

**Prev. Agn. Ref.:** 3.41 2/28/2012

**District:** All

**Agenda Number:**

**3-34**

PURCHASING & FLEET SERVICES  
1119 Brandl, Director  
FORM APPROVED COUNTY COUNSEL  
BY: *GREGORY P. PRIAMOS* DATE: 5/20/15  
Departmental Concurrence

Positions Added  
 Change Order  
 A-30  
 4/5 Vote

**SUBMITTAL TO THE BOARD OF SUPERVISORS, COUNTY OF RIVERSIDE, STATE OF CALIFORNIA**

**FORM 11:** Approve the Increase to the Blanket Purchase Order (BPO) with Licensed Board & Care Facilities Sadler Healthcare, Inc., for FY14/15. (District: All) [\$475,000 ongoing]. State

**DATE:** May 20, 2015

**PAGE:** Page 2 of 2

**BACKGROUND:**

**Summary**

The Department of Mental Health (DMH) operates a continuum of care system that consists of County-operated and contracted service providers delivering a variety of mental health treatment services within each geographic region of Riverside County.

Licensed Board and Care facilities provide less restrictive and less intensive licensed residential level of care for Mental Health clients. The purpose of this level of care is to provide eligible adult clients with supervised and structured residential services including supported programs resulting in the transition of clients into independent living. The California Department of Social Services (CDSS) licenses these community-based residential programs and establishes payment rates. DMH only utilizes licensed Board and Care facilities that are in good standing with the CDSS. Placement in these facilities is determined upon client need, location and availability of beds.

On February 28, 2012, (3.41), the Board of Supervisors authorized the Riverside County Purchasing Agent to contract on behalf of DMH, with licensed Board and Care facilities for an annual aggregate amount of \$475,000 through FY14/15. In addition, the Board of Supervisors also authorized the Riverside County Purchasing Agent to continue to work within the Board approved aggregate when adding, increasing or decreasing BPO's, but also required the department to go back to the Board of Supervisors for approval for any BPO exceeding \$100,000.

During FY14/15, Sadler Healthcare, Inc. began providing client board and care services in Indio. Due to the demand for increased services to be provided in Indio by Sadler Healthcare, Inc., this provider will exceed the \$100,000 authority in FY14/15. Therefore, it is requested that the purchase order with Sadler Healthcare, Inc. be increased to \$130,000.

Due to the specialized services provided by the vendors listed in Attachment A, DMH requires the flexibility to add vendors if necessary to ensure continuity of care. Therefore, DMH is requesting that the Board of Supervisors approve and authorize the Purchasing Agent to issue a purchase order for the licensed board and care services with Sadler Healthcare, Inc., for \$130,000 as listed in Attachment A, while maintaining the total aggregate of \$475,000 annually through June 30, 2015 as outlined herein.

**Impact on Citizens and Businesses**

These services are a component of the Department's system of care aimed at improving the health and safety of consumers and the community.

**Additional Fiscal Information**

The BPO's outlined in Attachment A will be funded with Realignment funds. These services contain termination provisions in the event that applicable Federal, State, and/or County funds become unavailable. There are sufficient funds in the Department's proposed FY14/15 budget and no County funds are required.

**Contract History and Price Reasonableness**

CDSS licenses these community-based residential programs and establishes payment rates. Since the Board and Care reimbursement rates are established by the CDSS, these rates are the lowest available. Due to the fact that there is no negotiation regarding these reimbursement rates, the Department is requesting approval to establish BPO's for these services with qualified providers without seeking competitive bids to ensure continuity of care for our consumers.

## ATTACHMENT A

### CONTRACT MAXIMUM AMOUNTS

<b>Contractor</b>	<b>City</b>	<b>Contract Amount</b>
Anka Behavioral Health Inc.	Indio	50,000
Arm Group Homes, LLC	Beaumont	12,000
Brighton House	San Jacinto	35,000
California Manor Guest Home	Riverside	5,000
Crest Home for the Elderly	Norco	5,000
Grandview Manor	Riverside	31,000
Hacienda Village	Riverside	17,000
La Sierra Gardens	Riverside	15,000
Majesty Village	Riverside	65,000
Mayflower Enterprises Inc	Riverside	50,000
Norco Haven Guest Home	Norco	20,000
Pacific Manor Board & Care	Riverside	5,000
Perris Oases Inc.	Perris	13,000
Resthaven Board & Care	Riverside	15,000
Sadler Healthcare, Inc.	Indio	130,000
Reserve		7,000
<b>Total Aggregate Amount</b>		<b>475,000</b>