



**TOWN OF LOS GATOS
COUNCIL AGENDA REPORT**

MEETING DATE: 12/19/2023

ITEM NO: 18

DATE: December 7, 2023
TO: Mayor and Town Council
FROM: Laurel Prevetti, Town Manager
SUBJECT: Authorize Revenue and Expenditure Budget Adjustments in the Amount of \$125,000 to Recognize Receipt and Expenditure of a County of Santa Clara Grant Received by the Town, and Provide Direction on the Allocation of the Grant for Adult Day Services and/or Case Management in Consideration of the Recommendation from the Community Health and Senior Services Commission

RECOMMENDATION:

Authorize revenue and expenditure budget adjustments in the amount of \$125,000 to recognize receipt and expenditure of a County of Santa Clara grant received by the Town, and provide direction on the allocation of the grant for adult day services and/or case management in consideration of the recommendation from the Community Health and Senior Services Commission.

BACKGROUND:

On June 15, 2023, the Santa Clara County Board of Supervisors approved a \$125,000 grant for the Town to use towards adult day services and/or case management for adults aged 60 years or older. Supervisor Simitian worked with the Town Manager's Office to create the proposal in light of the Town's new Senior Services Roadmap and the Town's efforts to help seniors thrive in Los Gatos. The Council authorized the Town Manager to execute the agreement on December 12, 2023. Grant funds must be expended by the Town by June 30, 2025 and are one-time funds.

PREPARED BY: Katy Nomura
Assistant Town Manager

Reviewed by: Town Manager, Assistant Town Manager, Town Attorney, and Finance Director

DISCUSSION:

The Town has full discretion over how much of the \$125,000 to allocate towards adult day services and/or case management for older adults. Once allocations have been determined, the Town will conduct a competitive Request for Proposals (RFP) process to identify contract services vendors to provide the service(s). Due to the RFP process, this discussion should not focus on specific service providers but rather on how much to fund each type of service.

Adult Day Services

Based on input from a current older adult day service provider, Live Oak Adult Day Services, to provide a meaningful increase in service, additional staffing would cost approximately \$25 per hour. An allocation of \$41,000 sufficient to cover the cost of one full-time (35 hours/week) staff member which would raise the daily capacity of that agency from 15 adults served per day to 20. Town staff estimates that the fully benefited rate of a full-time position may be estimated at \$67,000.

Case Management for Older Adults

Current recruiting announcements in the Bay Area show the hourly rate for Case Managers ranging from \$30 to \$40 per hour depending on education and qualifications. The fully benefited rate for a full-time position is estimated at \$81,000 to \$108,000. A graduate degree in Counseling, Social Services, or a related Behavioral Health field appears standard for this type of position. Due to the wide range of variabilities and needs that a client may present, as well as the varying levels of administrative support an organization may or may not have in place, it is difficult for staff to estimate the number of clients accommodated by either part-time or full-time Case Manager positions.

Community Health and Senior Services Commission (CHSSC) Recommendation

On November 30, 2023, the CHSSC recommended that the funds be divided to fund at least a 1.0 FTE for adult day services and to fund contract case management services with the remaining amount with a goal to be as close as possible to a 0.5 FTE for case management. This motion passed with a 4-1 vote (Commissioner Rossman opposed). The discussion of the Commissioners was universally in favor of splitting the funds between the two areas, but the dollar amount for the recommended split was debated, with one Commissioner voicing support for a division more heavily supporting case management.

Staff estimates the recommendation would result in \$67,000 for a 1.0 FTE for adult day services and \$58,000 for a 0.5 FTE for contracted case management. Public comment for this item included two speakers in support of splitting the funds, with one favoring case management and the other favoring adult day services.

CONCLUSION AND NEXT STEPS:

Staff looks forward to Council's discussion and direction on how to allocate the \$125,000 grant funds between adult day services and case management for older adults. If the Council agrees with the CHSSC recommendation, staff suggests that the Town first conduct the competitive process to select an adult day services provider. Through the RFP process, service providers may have different cost estimates for the equivalent of one FTE of service. Staff would evaluate the proposals and recommend a service provider to Town Council and make the final allocation for the adult day services provider.

Once the funding for that service is determined, the remaining funds would be allocated to the case management service and staff would proceed with the RFP, returning to Council with the selected provider for approval.

This approach would provide more certainty both sets of service providers. to the organizations that may wish to respond to the case management RFP.

Alternatively, Council could direct the release of both RFPs simultaneously and the results return to Council as a package.

COORDINATION:

The preparation of this report was coordinated with the Library and Finance Departments, and the Town Attorney's Office.

FISCAL IMPACT:

The \$125,000 grant funds are being provided to the Town from the County to cover the costs of contracted case management and adult day services. With this agenda item, Council has two fiscal actions to take: Authorize revenue and expenditure budget adjustments in the amount of \$125,000 to recognize grant receipt and expenditure of the grant from County of Santa Clara received by the Town.

Staff time related to grant management, the RFP(s), and program oversight will not be covered by grant funds and will be absorbed by existing staff.

ENVIRONMENTAL ASSESSMENT:

This is not a project defined under CEQA, and no further action is required.