



City of Austin

Recommendation for Action

File #: 26-1659, **Agenda Item #:** 39.

5/7/2026

Posting Language

Authorize negotiation and execution of an interlocal agreement with the Texas Department of State Health Services to provide mobile food vendor inspection services for an initial 13-month term beginning on July 1, 2026, in an amount not to exceed \$680,000, with up to four 12-month extension options, for a total agreement amount not to exceed \$3,400,000. Funding: This item is projected to result in annual revenue of \$680,000 in the Austin Public Health Operating Budget.

Lead Department

Austin Public Health.

Fiscal Note

This item is projected to result in annual revenue of \$680,000 in the Austin Public Health Department's Operating Budget.

Prior Council Action:

March 21, 2024 - Council approved Resolution No. 20240321-033 related to on-site mobile food vending permitting.

June 5, 2025 - Council approved Ordinance No. 20250605-070 which updated fees for mobile food vendor on-site inspections

For More Information:

Adrienne Sturup, APH Director, 512-972-5010; Marcel Elizondo, Division Chief, APH Environmental Health Services Division, 512-978-0308; Todd Mers, Public Health Program Manager, APH Environmental Health Services Division, 512-978-0358; Juanita Jackson, Business Process Consultant, 512-972-6163.

Additional Backup Information:

Austin Public Health launched a pilot program in summer 2025 to provide on-site mobile food vendor inspections, allowing vendors to opt into inspections at their operating locations rather than transporting their units for inspection in response to Resolution No. 20240321-033. Council subsequently approved an updated fee structure on June 5, 2025, to support this service.

In 2025, Texas House Bill 2844 (HB 2844) preempted the permitting authority of mobile food vendors of all local health departments and transferred the permitting authority of mobile food vendors to the State of Texas. State law supersedes the City's previously approved program and fee structure. As a result, mobile food vendors will transition to the State's standardized inspection and licensing framework.

The Department of State Health Services Consumer Protection Division seeks to contract with Austin Public Health to perform inspection services on behalf of the State of Texas pursuant to the provisions of the Interlocal Cooperation Act, Chapter 791 of the Texas Government Code and HB 2844. Contracted services include mobile food vendor inspections, compliance investigations, and reporting in accordance with Texas

Department of State Health Services Retail Food Safety Operations. The initial contract term will run from July 1, 2026, through August 31, 2027.