



County of Monterey

Item No.41

Board Report

Board of Supervisors
Chambers
168 W. Alisal St., 1st Floor
Salinas, CA 93901

Legistar File Number: A 26-307

July 07, 2026

Introduced: 6/23/2026

Current Status: Health Department -
Consent

Version: 1

Matter Type: BoS Agreement

- a. Approve and authorize the Director of Health Services or designee to execute a retroactive Amendment No. 1 to the Asset Purchase Agreement A-17422 (APA) with Juan C. Valencia Dental Corp, dba La Paz Dental Care (Seller) effective June 25, 2026 to remove County's assumption of Seller's existing office lease and requiring County to enter a new lease with the landlord effective at closing of the purchase and sale of the assets concerning the Seller's dental practice located at 559 E. Alisal St., Ste. 101, Salinas, California 93905; and
- b. Authorize the Director of Health Services or designee to execute up to three future amendments to the Asset Purchase Agreement that do not significantly change the scope of the transactions contemplated in the APA.

RECOMMENDATION:

It is recommended that the County of Monterey Board of Supervisors:

- a. Approve and authorize the Director of Health Services or designee to execute a retroactive Amendment No. 1 to the Asset Purchase Agreement A-17422 (APA) with Juan C. Valencia Dental Corp, dba La Paz Dental Care (Seller) effective June 25, 2026 to remove County's assumption of Seller's existing office lease and requiring County to enter a new lease with the landlord effective at closing of the purchase and sale of the assets concerning the Seller's dental practice located at 559 E. Alisal St., Ste. 101, Salinas, California 93905; and
- b. Authorize the Director of Health Services or designee to execute up to three future amendments to the Asset Purchase Agreement that do not significantly change the scope of the transactions contemplated in the APA.

SUMMARY:

On July 8, 2025, the Board of Supervisors approved the execution of Agreement No. A-17422, comprised of (1) an Asset Purchase Agreement, (2) Professional Services Agreement, (3) Lease Assignment Agreement, and (4) Asset Assumption Agreement with Juan C. Valencia Dental Corp, dba La Paz Dental Care (Seller) to purchase the right, title and interest of assets of that dental practice, contract with dental staff for the provision of those dental services, assume the Seller's practice assets, and assume the lease for the Seller's premises, all to support the expansion of access to and delivery of dental services to Clinic Services' patients.

However, upon further consideration, Clinic Services decided not to assume the Seller's existing lease and instead negotiate a separate lease directly with the building landlord for the premises located at 559 E. Alisal St. Suite 101, Salinas California.

DISCUSSION:

The Health Department Clinic Services Bureau (Clinic Services) operates twelve community clinic sites designated as Federally Qualified Health Centers (FQHCs) which provide preventive, primary, and specialty medical care services.

County of Monterey continues to face significant barriers to dental care, including limited provider availability, low Medi-Cal participation among dentists, long wait times, and a lack of affordable options for preventive and restorative services.

As an FQHC, Clinic Services Bureau is uniquely positioned to address the gap for dental services by expanding care delivery to include comprehensive dental services into its integrated model of care.

The original Lease Assumption Agreement was intended for the Seller to assign its rights and obligations of the current lease to Clinic Services, for the purpose of operating a dental practice on the premises. However, upon further consideration, Clinic Services decided not to assume the Seller's existing lease and negotiate a separate lease directly with the building landlord.

Approval of this Amendment will allow Clinic Services to remove the Lease Assumption Agreement from the original scope of the Asset Purchase Agreement, while focusing on the remaining deliverables required to close on the asset purchase transaction.

This work supports the County of Monterey Health Department 2025-2028 Strategic Plan Goals(s): 2. Provide Exceptional Person-Centered Care through Accessible, Community-Focused Health Services. It also supports the following of the ten essential public health services, specifically: 4. Mobilize community partnerships and action to identify and solve health problems, and 7. Link people to needed personal health services and assure the provision of health care when otherwise unavailable.

OTHER AGENCY INVOLVEMENT:

County Counsel has reviewed and approved these Agreements as to form. Auditor-Controller has approved as to fiscal provisions. Health Department Administration has reviewed and concurs with the recommendation.

FINANCING:

There will be no impact to the General Fund from approval of this action. The purchase of the assets of the dental practice will be financed with funds set aside for this purpose. Ongoing operating costs will be funded by Medi-Cal and Medicare reimbursements. Sufficient appropriations are available in the FY 2026-27 Adopted Budget of Clinic Services Bureau, Health Department (4000-HEA007).

BOARD OF SUPERVISORS STRATEGIC PLAN GOALS:

This agreement will create easier access to dental services for underserved populations in the community, aligning with the Strategic Plan Goal of Well-Being and Quality of Life.

Mark a check next to the related Board of Supervisors Strategic Plan Goals:

- Well-Being and Quality of Life
- Sustainable Infrastructure for the Present and Future

- Safe and Resilient Communities
- Diverse and Thriving Economy
- Dynamic Organization and Employer of Choice

Prepared by: Prisca Segovia, Management Analyst II, 755-4939

Approved by: Elsa Jimenez Mendoza, Director of Health Services, 755-4526

Attachments:

Board Report

Amendment No. 1

Asset Purchase Agreement