

Sole Source CONTRACT Filing Justification Template

Use the following justification template for preparing to file sole source contracts in the [Sole Source Contracts Database](#) (SSCD). Once completed, copy and paste the answers into the corresponding SSCD question and answer fields. You will also need to include a copy of this completed form in the documents you post to your agency website and in [WEBS](#).

What is a sole source contract?

"Sole source" means a contractor providing goods or services of such a unique nature or sole availability at the location required that the contractor is clearly and justifiably the only practicable source to provide the goods or services. (RCW 39.26.010)

Unique qualifications or services are those which are highly specialized or one-of-a-kind.

Other factors which may be considered include past performance, cost-effectiveness (learning curve), and/or follow-up nature of the required goods and/or services. Past performance alone does not provide adequate justification for a sole source contract. Time constraints may be considered as a contributing factor in a sole source justification however will not be on its own a sufficient justification.

Why is a sole source justification required?

The State of Washington, by policy and law, believes competition is the best strategy to obtain the best value for the goods and services it purchases, and to ensure that all interested vendors have a fair and transparent opportunity to sell goods and services to the state.

A sole source contract does not benefit from competition. Thus the state, through RCW 39.26.010, has determined it is important to evaluate whether the conditions, costs and risks related to the proposal of a sole source contract truly outweigh forgoing the benefits of a competitive contract.

Providing compelling answers to the following questions will facilitate the evaluation.

Specific Problem or Need

- What is the business need or problem that requires this contract?

Requesting a sole source contract to distribute funds appropriated through 2024 Supplemental Operating budget proviso section 215 (141) solely for a grant to a Seattle based opioid use disorder treatment provider that experienced a severe flooding event that closed the facility. The flooding resulted in damage that has closed the facility, necessitating that the impacted patients seek treatment at alternate locations.

Sole Source Criteria

- Describe the unique features, qualifications, abilities or expertise of the contractor proposed for this sole source contract.

Evergreen Treatment Services of Seattle is the designated provider referred to in the proviso to receive a grant for flood relief needs, including building restoration and costs associated with additional services provided to patients to continue necessary opioid use disorder treatment.

- What kind of market research did the agency conduct to conclude that alternative sources were inappropriate or unavailable? Provide a narrative description of the agency's due diligence in determining the basis for the sole source contract, including methods used by the agency to conduct a review of available sources such as researching trade publications, industry newsletters and the internet; contacting similar service providers; and reviewing statewide pricing trends and/or agreements. Include a list of businesses contacted (if you state that no other businesses were contacted, explain why not), date of contact, method of contact (telephone, mail, e-mail, other), and documentation demonstrating an explanation of why those businesses could not or would not, under any circumstances, perform the contract; or an explanation of why the agency has determined that no businesses other than the prospective contractor can perform the contract.

On the January 14th (2024) ETS's Seattle Clinic had a high pressure t-valve in the second floor sprinkler system burst as a result of consecutive days of subfreezing weather. Approximately 80% of the 36,000+sq ft. building was damaged by water rendering the building hazardous to occupancy. Given this was the day before the MLK holiday, ETS had less than 40 hrs. to prepare for transferring 1200 patients to our Renton Clinic, 13 miles south of the Seattle site.

In the days and weeks that followed a ETS faced an increasing list of emergency expenses (office trailers, architectural costs to design the trailers, vehicle rentals, propane heaters, tents, fuel, etc.) alongside decreased revenue from patients either seeking emergency dosing elsewhere or no longer coming to treatment due to the logistical complexities associated with it. To cover these expenses ETS did the following:

- Analyzed insurance, which while robust on the property side, only contained approx. \$120K in business interruption.
- Contacted Senator Murray, Senator Cantwell, Congresswoman Jayapal and Congressman Smith's offices seeking emergency one-time funding or a direct congressional allocation to support our operational needs. No funding was identified.
- Reached out to the Behavioral Health and Recovery Division of King County for one-time emergency funding to retain our workforce. They assisted with one-time funding in the amount of \$2M which prevented us from having to initiate a layoff or reduction in force scenario amidst the financial uncertainty.

- Communicated with the Emergency Management Departments of King County and the City of Seattle. After a site visit, ETS was informed that all equipment utilized would need to be paid for by ETS. Eventually ETS was invited to be included in part of Washington State’s FEMA request as part of the King County application, which has been approved albeit not funded at this time.
 - ETS did establish a flood relief fund to seek community donations to aid in the recovery effort. To date, I think we’ve raised about \$140K through that effort although subsequent fund raising initiatives have not been as successful as in years past due in part because donors who used to participate in those responded to the flood relief effort instead. ETS did utilize media coverage to promote the flood relief fund.
 - ETS searched for nearby office space either in-kind or rental and had numerous email conversations with property managers (e.g., Puget Properties next door—no client services allowed) and facility divisions (e.g., DSHS across the street, Colliers, etc.) but was unable to secure space.
 - ETS searched philanthropic and foundations for grants and/or on-time funding applicable to the situation but were unable to identify potential sources.
- What considerations were given to providing opportunities in this contract for small business, including but not limited to unbundling the goods and/or services acquired.

Not applicable—this request is in response to a flooding event that occurred at the OTP clinic, resulting in building loss and interruption to treatment services for 1200 patients.

- Provide a detailed and compelling description that includes quantification of the costs and risks mitigated by contracting with this contractor (i.e. learning curve, follow-up nature).

The proposed contract with this contractor is for one-time funding over two fiscal years, \$250,000 FY24 and \$750,000 FY25. The provider offers treatment for 1200 patients at the impacted clinic and each of these patients are currently seeking treatment at alternate locations. The prospect of leaving treatment and potential return to substance use is substantial. Improving patient outcomes is a key point in pursuing this contract.

- Is the agency proposing this sole source contract because of special circumstances such as confidential investigations, copyright restrictions, etc.? If so, please describe.

Funds were appropriated through 2024 Supplemental Operating budget proviso section 215 (141) solely for a grant to a Seattle based opioid use disorder treatment provider that experienced a severe flooding event that closed the facility.

Requesting a standalone Sole Source contract to distribute funds to Seattle OTP provider as described in 2024 Supplemental Operating budget proviso section 215 (141):

\$250,000 of the general fund-state appropriation for fiscal year 2024 and \$750,000 of the general fund—state appropriate for fiscal year 2025 are provided solely for a grant to a

Seattle based opioid use disorder treatment provider in Seattle that experienced a severe flooding event in a clinic in January 2024. This funding is provided on a one-time basis and must be used to allow the clinic to continue to provide services by providing support for the increased per client costs resulting from temporarily delivering services to a smaller volume of clients while services are being reestablished at the clinic and by supporting efforts to provide transitional services for clients in other setting while the facility is being restored.

- Is the agency proposing this sole source contract because of unavoidable, critical time delays or issues that prevented the agency from completing this acquisition using a competitive process? If so, please describe. For example, if time constraints are applicable, identify when the agency was on notice of the need for the goods and/or service, the entity that imposed the constraints, explain the authority of that entity to impose them, and provide the timelines within which work must be accomplished.

No

- Is the agency proposing this sole source contract because of a geographic limitation? If the proposed contractor is the only source available in the geographical area, state the basis for this conclusion and the rationale for limiting the size of the geographical area selected.

The geographic limitation is the opioid treatment provider in King County that experienced the severe flooding event in January 2024 named in the proviso language.

- What are the consequences of not having this sole source filing approved? Describe in detail the impact to the agency and to services it provides if this sole source filing is not approved.

If this contract is not approved, the provider will have reduced resources to continue patient care during the midst of the opioid crisis.

More patients experiencing barriers to accessing treatment or leaving treatment and returning to street drugs will have a negative impact on our state.

Sole Source Posting

- Provide the date in which the sole source posting, the draft contract, and a copy of the Sole Source Contract Justification Template were published in WEBS.
 - If exempt from posting in WEBS, please provide which exemption.
 - If failed to post, please explain why.
- Were responses received to the sole source posting in WEBS?

- If one or more responses are received, list name of entities responding and explain how the agency concluded the contract is appropriate for sole source award.

Reasonableness of Cost

Since competition was not used as the means for procurement, how did the agency conclude that the costs, fees, or rates negotiated are fair and reasonable? Please make a comparison with comparable contracts, use the results of a market survey, or employ some other appropriate means calculated to make such a determination.

There is not a comparable contract due to the nature of this requested funding. This request is specific to provide relief for agency that experienced a severe flooding event.