

Sole Source CONTRACT Filing Justification Template

Use the following justification template for preparing to file sole source contracts in the <u>Sole Source</u> <u>Contracts Database</u> (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 <u>WEBS</u>.

What is a sole source contract?

"Sole source" means a contractor providing goods or services of such a unique nature or sole availability 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 DES' evaluation.

Specific Problem or Need

- What is the business need or problem that requires this contract?
- WRRC intends to obtain services for technical efforts to open the South Korean market for import of Washington State frozen raspberries. Non-tariff, phytosanitary barriers currently prohibit the export of US-grown frozen raspberries to South Korea. Removing



those barriers and gaining access to that market requires participation in phytosanitary market access negotiations in coordination with the U.S. Department of Agriculture's (USDA) Animal and Plant Health Inspection Service (APHIS) at the annual U.S.-Korea plant health bilateral meetings and coordination with the South Korea Animal and Plant Health Quarantine Agency (APQA). This contract will procure market access specialists with experience in this work, current access to the plant health bilateral meetings, and familiarity with Korean market access context to lead in negotiations while consulting with raspberry industry stakeholders in Washington State.

Sole Source Criteria

- Describe the unique features, qualifications, abilities or expertise of the contractor proposed for this sole source contract.
- The proposed contractor is the only available contractor which has successfully negotiated market access in South Korea for other US agricultural commodities in recent years. They have been selected by USDA to participate in and lead plant health negotiations with numerous Asian countries. They also manage the USDA Assisting Specialty Crop Exporters (ASCE) MRL program, addressing phytosanitary trade barriers, and participate in the United Nations' Food and Agriculture Organization's Codex Alimentarius Commission on behalf of U.S. specialty crop growers. No other contractor has the same level of experience in phytosanitary trade barriers for specialty crops, nor the same level of access to negotiations and discussions necessary for the project to succeed.
- 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. Use DES' Market Research Template if assistance is needed.
- Statewide Contracts: WRRC reviewed statewide contracts # 01620, 20422, and 27523. Contract #01620 provides business consulting services, but those services are intended for internal review of agency organization and business, and are not suitable for pursuing export market access in foreign countries. Contract #20422 provides communications and marketing services, but those services are intended for brand development or to bring public awareness of a product or service, and are not suitable for facilitating negotiations with foreign government officials. Contract #27523 provides integrated pest management services, but is intended for actual pest management and are not suitable for pursing adjustments to MRLs or other phytosanitary barriers to international trade of agricultural products.



- **OMWBE Directory:** WRRC searched the OMWBE Directory for suitable businesses using keywords "export," "trade," "phytosanitary," "tariff," and "market." Those search terms returned over 500 results, but none of the listed firms had listed expertise or experience in issues of agricultural exports.
- Internet Search: WRRC performed an internet search for other potential contractors. The most suitable result was Eliasan Consulting (eliasan.com), which provides market entry strategy and development services and trade mission coordination for industries including agriculture. However, they do not demonstrate any experience or expertise in facilitating negotiations around non-tariff phytosanitary barriers to agricultural trade. Other less suitable results reviewed included Rose Research, Panorama Global, MTI Worldwide Logistics Corporation, US Wheat Associates, and Unitus Labs.
- As part of the market research requirements, include a list of statewide contracts
 reviewed and/or businesses contacted, 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.
- Statewide Contract #01620 reviewed on October 20, 2025. Services in the contract do not meet the need of the agency as per the above explanation.
 Statewide Contract #20422 reviewed on October 20, 2025. Services in the contract do not meet the need of the agency as per the above explanation.
 Statewide Contract #27523 reviewed on October 20, 2025. Services in the contract do not meet the need of the agency.
- A web search also identified a number of businesses similar to the proposed contractor. Analysis of those businesses is as follows:
- Eliasan Consulting website reviewed on October 20, 2025. The website lists services in market entry strategy and development services as well as trade mission coordination. However, they do not list any services related to trade negotiations with foreign governments.
- Rose Research website reviewed on October 20, 2025. Their website states that their services are solely connected to market research, and as such do not meet the need of the agency.
- Panorama Global website reviewed on October 20, 2025. Their website states that they
 are a non-profit organization and do not do work under contract.
- MTI Worldwide Logistics Corporation website reviewed on October 20, 2025. While they are a Washington-based business that provides export logistics services, they do not provide services related to market access.
- **US Wheat Associates** website reviewed on October 20, 2025. While they provide similar services to what is needed for the agency, they solely provide their services to members of the wheat industry, and would not provide those services to the raspberry industry.



- Unitus Labs website reviewed on October 20, 2025. Their website states that they are a non-profit organization focused on reducing global poverty, and do not provide services for agricultural market access.
- Per the Supplier Diversity Policy, DES-090-06: was this purchase included in the agency's forecasted needs report?
- No. The grant funding which will solely fund the work under this contract had not been awarded at the time of the posting of the forecasted needs report.
- Describe what targeted industry outreach was completed to locate small and/or veteranowned businesses to meet the agency's need?
- The proposed contractor is classified as a Washington Small Business in WEBS.
- What considerations were given to unbundling the goods and/or services in this
 contract, which would provide opportunities for Washington small, diverse, and/or
 veteran-owned businesses. Provide a summary of your agency's unbundling analysis for
 this contract.
- This contract is unsuitable for unbundling because the work is in a nonspecific area, only
 one service is being procured, and the timing of the work is non-flexible due to grant
 period requirements. Although the procurement is relatively large for agency standards,
 that alone is not sufficient to justify unbundling. Additionally, the proposed contractor is
 classified as a Washington Small Business in WEBS.
- 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 contractor is intimately familiar with the Washington red raspberry
 industry. Further, they were the selected contractor for the most recently approved US
 agricultural market access request to South Korea, as well as for the negotiations
 underway for the current US ag market access request. As such, they have years of
 relationships which they have developed with South Korean officials, and utilization of
 any other contractor would require significantly higher costs for them to develop those
 relationships.
 - Additionally, in the application form for the USDA grant funding which is the sole funding source for the contract, the agency identified the proposed contractor as the entity which would be performing the work funded by the grant. Given the proposed contractor's experience in working directly with USDA, the inclusion of the proposed contractor in the grant application was a likely factor in the grant being awarded to the



agency. If the agency were to select another contractor for the work, it would run the risk of the federal grant funds being clawed back.

- Is the agency proposing this sole source contract because of special circumstances such as confidential investigations, copyright restrictions, etc.? If so, please describe.
- No.
- 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.
- 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 sole source filing is not approved, the WRRC may be unable to move forward with the plans to pursue Korean market access, and the State of Washington may forfeit the federal grant funding it has been awarded to complete the project. As a result, a continued lack of access to foreign markets by Washington raspberry growers will restrict the economic viability of raspberry farming in the state.

Sole Source Posting

- Sole Source Posting on Agency Website Provide the date in which the sole source
 posting, the draft contract, and a copy of the Sole Source Contract Justification Template
 were published on your agency's website.
 - If failed to post, please explain why.
- 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 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.
- Approximately 10% of the contract costs are for South Korean officials to travel to
 Washington for a week-long visit to review industry practices. The remaining contract
 costs amount to less than \$73,000 per year, which will cover costs for staff (including a
 senior policy specialist, policy analysts, and SVP-level staff) to work on access, as well as
 travel to participate in US-Korea plant health bilateral meetings (including international
 travel to South Korea). These costs are lower than any other contract with a similar scale
 that the agency has competitively procured.