

# 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?

Washington State Dept. of Agriculture (WSDA) needs to provide a yard waste drop off site in Grandview, WA for yard waste infected with Japanese Beetles (JB). Grandview was selected



because it allows and encourages residents in that part of Yakima County to properly dispose of infected yard waste. If residents have to travel too far within the 127 mile quarantine area, they are less willing to follow green waste disposal rules.

An internal quarantine in the Grandview area was established in 2022 as part of a multi-year plan to eradicate Japanese beetle (WAC 16-470-700). The initial area included 49 square miles, and was expanded to 74 square miles in 2023 by emergency rule as more beetles were detected outside the initial boundaries. Based on beetle detections from 2023, the WSDA expanded the quarantine area to 127 square miles in 2024 through official rulemaking processes.

The internal quarantine for Japanese beetle includes yard debris as one of its regulated articles (WAC 16-470-710). This prohibits it from being transported from inside the quarantine to outside. Restriction of the movement of yard debris places a burden on residents as this restricts them from placing yard debris in their collection containers, and waste management companies from transporting this waste. Landscapers would also be unable to dispose of yard debris from within the quarantine area outside of the quarantine area. To combat this issue, WSDA established a free yard debris drop off area in Grandview in summer 2022. This site has seen heavy use from residents and businesses in the impacted area from 2022-2024. In 2024, WSDA was able to continue offering this drop-off site in Grandview through a contract with Alba's Excavating. With Japanese beetle eradication still in progress, keeping this location operational is a must. Continued contracting with Alba's Excavating would allow us to maintain an additional, free drop-off site for impacted residents in the quarantine area.

#### Sole Source Criteria

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

Alba's Excavating was contacted in Spring 2022 after conversations with the City of Grandview regarding finding a suitable location and contractor to receive green waste from business and the public as a result of the upcoming JB quarantine. Alba's Excavating has a Grandview, WA site with a 5,000 square feet concrete pad and a leachate catch basin, as well as a front loader to move piles of green waste. The concrete pad and catch basin prevent ground water contamination.

The Albas facility location within the then proposed quarantine and right outside Grandview made this a prime location for receiving green waste from the public. Using a direct buy contract in 2022, they constructed a 5,000 square foot concrete pad with a 1,000 gallon catch basin in order to aid WSDA in its quarantine mitigation for the public.



Alba's Excavating is a small, local business and through continued contracting, has helped WSDA immensely with incentivizing the public to prevent the transport of green waste across quarantine lines and thus prevent the spread of Japanese beetle.

 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.

WSDA conducted market research within the proposed quarantine expansion area as waste is prohibited from leaving the quarantine boundaries. WSDA only found one heavy equipment company with a drop off facility in the Grandview area, and within the quarantine boundaries. Contractors from outside the quarantine area cannot perform the work. Prior to the establishment of the Grandview drop-off, Yakima Waste Systems was contacted by phone in October of 2021 to inquire on the price of container rental and hauling. Even if the work could be done there was not a location the green waste could be hauled without violating the then proposed quarantine.

 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.

WSDA is limited to businesses within the quarantine area. Conversations with Yakima Waste Systems in 2021 were not fruitful as we still lacked an area within the quarantine area where waste could be collected or hauled to.

A potential, alternative collection area, a transfer station in Outlook was newly included in the quarantine in 2024, but was subsequently decommissioned.

Additionally, in April 2024 discussions were held with the waste company Basin Disposal about estimated costs in introducing a curbside waste-separation to a one-mile square area in Pasco. The cost for establishing and maintaining this program was far higher than what WSDA feasibly could spend (\$300,000 to start up a one square mile collection area) short and long-term for this project. This was only for an area of around 900 customers, whereas the Japanese beetle quarantine area contains upwards of 17,000 impacted properties.



- Per the Supplier Diversity Policy, DES-090-06: was this purchase included in the agency's forecasted needs report?
   N/A
- Describe what targeted industry outreach was completed to locate small and/or veteranowned businesses to meet the agency's need?

While conducting outreach for the Small Business Economic Impact Statement (SBEIS) Survey for the initial 2022 quarantine, I was responsible for identifying and contacting small business related to yard debris/green waste and waste disposal companies. Based on business names provided by Yakima and Benton counties I was unable to identify other small businesses that dealt with waste disposal or waste collection that were within the proposed quarantine boundaries. An updated 2025 search did not reveal additional firms that could provide a drop off site within the quarantine area.

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.

WSDA considers unbundling and opportunities for small businesses whenever possible. In this instance, green waste cannot be transported outside the quarantine area, so we were limited to searching for firms within the Japanese Beetle quarantine boundaries. In this case we cannot unbundle services as the contractor needs to have ample heavy equipment, physical space, including a concrete pad and catch basin, and the ability to receive and store a large amount of green waste.

 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 quarantine area is currently 127 square miles around Grandview, Sunnyside and surrounding areas of Yakima and Benton Counties.

We have contracted with Alba's Excavating in 2022-2024. By now, our protocols are established, and the facility runs smoothly. There is a significant learning curve to learning how to handle and store waste. Before this project, they had already worked with the city of Grandview for several years as their partner in Spring Clean-ups and year round waste collection from the public.



Another significant cost goes into the outreach and education efforts in these areas. It was not enough to establish an area like this, but much effort and resources went into encouraging the public to use this new site. Thousands of yearly postcards, webinars, handouts, radio ads, radio programs, billboards, are just some of the outreach methods we have used to reach residents in the area and encourage them to prevent the spread of Japanese beetle and to take their waste to Alba's.

Thousands of residents now depend on this drop-off area in order to comply with the quarantine rule. Changing this would not only upset residents, but it would set us back several years in our outreach efforts with the community and ultimately reduce the total number of residents trying to comply with the quarantine.

In addition, this facility is located within the Japanese Beetle quarantine area, so can accept and process green waste while complying with Japanese Beetle quarantine restrictions.

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

The start of Japanese beetle flight season is on May 15<sup>th</sup>. After this date, yard debris as a regulated article cannot be transported outside the quarantine area.

 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 WSDA doesn't provide a solution for residential and landscaping green waste, there is a risk that green waste will be transported outside the Japanese Beetle quarantine area. This would spread the insects farther across the state, posing an even greater risk to our agricultural economic sector. Insect pests get more and more costly to eradicate the larger the population becomes and the longer the population has to establish.

To mitigate this significant risk, WSDA is providing green waste drop off sites for residents and landscaping within the quarantine area. Since the agricultural sector provides billions of dollars annually to the state, the maximum \$250,000 price of green waste collection within the quarantine area is a good value for Washington citizens as well as our agricultural partners.

#### 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.



The contract with Alba's Excavating in years 2022-2024 had comparable pricing to other areas outside the quarantine area which also accepted yard debris/green waste, such as the Cheyne Landfill in Zillah and the Terrace Heights Landfill. Alba's would not be increasing prices for services in 2025, making this a cost effective opportunity to continue work with this proven contractor.