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

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

WEST was the winning bidder (apparent successful contractor of the original solicitation to conduct this work (DNR RFQQ 21-30) and was contracted to perform the work beginning in April 2021. At the time, DNR expected the work to take a couple months to complete. However, due to the complexity of the project, the need for iterative review and time to produce and review the data has taken longer than originally anticipated, pushing the Study Design development and review into FY23. The Independent Scientific Review Process for the PHB Study Design is scheduled to begin in summer 2022, which will require input from the statistical consultant in response to reviewer comments. Work on the DPC Study Design will begin in summer 2022 as well, which also requires input from the
statistical consultant. Soliciting for a new contractor would result in additional costs due to WEST’s extensive familiarity with the project.

This contract includes two stream typing projects: Potential Habitat Breaks (PHB) and Default Physical Criteria Assessment (DPC). The purpose of stream typing projects is to refine and/or validate the water typing process, specifically as the process relates to identifying the regulatory Type-F/N break. Type F “fish habitat” streams include habitat used by fish at any life stage at any time of the year. This includes potential habitat likely to be used by fish which could be recovered by restoration or management, and include off-channel habitat, by using a multi-parameter, field-verified, peer reviewed, GIS logistic regression model using geomorphic parameters such as basin size, gradient, elevation and other indicators.

In November 2019, the Forest Practices Board (Board) passed a motion instructing the Cooperative Monitoring, Evaluation and Research Committee (CMER), a sub-committee of the Adaptive Management Program (AMP), to develop study designs for water typing, as well as “design the studies for cost savings, including the phasing of the studies with eastern Washington to be initiated first, and the possibility and advisability of combining the PHB validation, physical characteristics and map based Lidar model studies”. 

In response to the Board Motion, CMER voted that the Instream Science Advisory Group (ISAG) should have the lead in responding to the Forest Practices Board motion and developing an overall CMER based Water Typing Strategy. In May 2020, ISAG responded to the Board with a water typing strategy that included combining the field effort for PHB and DPC studies. As such, the two study designs are inter-dependent and being developed concurrently.

The PHB and DPC studies are a Board priority and large in scale and scope. The project team initiated work on the PHB study design in June 2020. After several months of working on the study design, the project team determined the need for statistical support for the development and refinement of the study design. The sampling and analytical design has significant implications for cost and outcomes. Internal resources and expertise were limited and statistical support was necessary to complete this work. The project team was able to determine inclusion/exclusion criteria and outcome measures, but required assistance with tasks including, but not limited to, evaluation of data analysis methods, existing data sets (to develop a sampling frame), and sample size estimation. The Department of Natural Resources (DNR) issued RFQQ 21-30 in March 2021 to solicit for this assistance, and the Western EcoSystems Technology (WEST) was the successful bidder and was issued a contract, with Dr. Leigh Ann Starcevich as the project lead. At the time of the solicitation it was thought the work could be done in a couple months, so the end date for the period of performance, and subsequent contract, was June 30, 2021, with an option to extend it for one (1) year.

Sole Source Criteria

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

WEST was the winning bidder (apparent successful contractor of the original solicitation to conduct this work (DNR RFQQ 21-30) and was contracted to perform the work beginning in April 2021.

Western EcoSystems Technology, Inc. (WEST) uses state-of-the art statistical principles in the design, conduct and analysis of ecological field studies. WEST maintains a permanent core of ecologists, botanists, wetlands professionals and biometricians who have experience in applied ecological studies and the analysis of natural resource data. Dr. Leigh Ann Starcevich is the
project lead for this contract. Although Dr. Starcevich works mostly independently, she is able to collaborate with other statisticians at WEST to support the project work.

Dr. Starcevich possesses the following experience that is directly relevant to the PHB and DPC projects:

- Worked on statistical analysis for the PHB study design, including analysis of PHB data to establish a sample size recommendation, analysis of the PHB pilot study data using the random forest model, and development of language for the methods section of the PHB study design.
- Survey design development for a range of complex ecological monitoring programs, including experience in drawing samples and analyzing data from generalized random tessellation stratified (GRTS) samples and developing GUI tools for GRTS sampling and data analysis. WEST developed a graphical user interface for Generalized Random Tessellation Stratified (GRTS) User's Manual and SDrawNPS package. The GRTS spatially-balanced sampling approach is implemented in a graphical user interface with R and SDrawNPS using tools from the R package survey. The manual serves as a companion to the SDrawNPS software package and provides statistical background on GRTS sampling. The PHB and DPC sites will be selected employing GRTS methods.
- Assessing survey design complexity such as stratification and temporal revisit designs including serially-alternating and augmented revisit designs and comparing the impacts of design element decisions with statistical power analysis.
- Evaluating sources of nonsampling error (sampling frame error, nonresponse error, and measurement error) and developing and applying analysis methods to adjust for these error sources.

3. What kind of market research did the agency conduct to conclude that alternative sources were inappropriate or unavailable?

WEST was the winning bidder (apparent successful contractor of the original solicitation to conduct this work (DNR RFQQ 21-30) and was contracted to perform the work beginning in April 2021.

No other market research was completed. WEST is the most appropriate and cost effective choice to complete this work, as Dr. Starcevich has extensive experience with study designs involving species distributions, and specific familiarity with the PHB and DPC studies, having provided over 100 hours of statistical consulting and analysis for the project since 2021. The project team discussed and agreed to having Dr. Starcevich continue to provide statistical support for the PHB and DPC projects. Based on her previous performance, they are confident in her ability to complete quality work on time and within budget.

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

WEST has been supporting ISAG with the development of the PHB study design. The work in this contract would continue to build on the work already completed by WEST for this project. WEST has completed the following tasks that are directly relevant to the proposed contract:

- Review of Roni et al. 2019 PHB study design, pilot report, and field manual, as well as the ISAG working version of the study design.
- Literature review of studies relevant to water typing and recommendations for ISAG.
- Responded to a list of questions generated by ISAG relative to the PHB study design.
• Added new language to the methods section of the ISAG working version of the PHB study design.
• Reviewed various sources of data (i.e. DNR hydro layer, pilot study data, etc.) for the purpose of sample size estimation.
• Met with the ISAG project team on several occasions to gather information and provide recommendations.
• Ran the analysis of PHB data to establish a sample size recommendation to ISAG and provided a memo with the sample size approximation for the PHB study design.
• Ran an analysis using the random forest model of the PHB pilot study data.

Due to the complexity of the water typing studies, maintaining support from WEST provides efficiency, continuity and is the most cost effective option. This will also ensure consistency throughout the data analysis and retain integrity within the study design. Conversely, a new contractor would result in inevitable delays, add added costs to complete redundant work, and introduce new risks. Delays would likely occur include shifting project implementation (site selection and field reconnaissance) from FY24 to FY25. Due to the high quality of work produced by the contractor and their good rapport with the project team, the risk of moving to a new contractor in order to implement the requirement is high.

5. 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

6. 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.

ISAG was tasked by CMER in November 2019 to develop the PHB and DPC Study Designs. The workgroup developed a sequential timeline to first develop the PHB Study Design and then work on the DPC Study Design. WEST was hired in April 2021 through a competitive process (DNR RFQQ 21-30) to provide consulting services for PHB and DPC through June 2021. The contract with WEST was extended through June 2022 because the sample size estimation required additional discussion (resulting in needing extra time) to produce the data necessary to complete the task. Due to the complexity of the project, the need for iterative review to produce and review data has taken longer than originally anticipated, pushing the Study Design development and review into FY23. The Independent Scientific Review Process for the PHB Study Design is scheduled to begin in Summer 2022, which will require input from the statistical consultant in response to reviewer comments. Work on the DPC Study Design will begin in Summer 2022 as well, which also requires input from the statistical consultant. Soliciting for a new contractor would result in additional costs due to WEST’s extensive familiarity with the project.

7. 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.

N/A

8. 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.
In 2006, the state of Washington adopted the Forest Practices Habitat Conservation Plan (FPHCP) with the goals to:

- provide compliance with the Endangered Species Act (ESA) for aquatic and riparian dependent species;
- restore and maintain riparian habitat to support a harvestable supply of fish;
- meet the requirements of the Clean Water Act (CWA) for water quality; and
- keep the timber industry economically viable in the state of Washington.

Washington State was given an Incidental Take Permit (ITP) under the Endangered Species Act from the National Oceanic and Atmospheric Administration Fisheries and the United States Fish & Wildlife Service. Further, the state has been given Clean Water Act assurances under the federal Clean Water Act as long as certain forest practices rules are met and research and monitoring commitments are safeguarded to ensure the rules are effective in restoring, maintaining, and enhancing forested riparian and wetlands fish and other riparian-associated species habitats. The ITP and Clean Water Act assurances are both at risk if these commitments are not met.

Under the auspices of the Forest Practices Board, the AMP is responsible for conducting certain research and monitoring activities, including the development of a criteria to be used in a permanent water typing rule to identify the break between fish and non-fish bearing water. Following completion of that research, DNR is responsible for the development and implementation of a permanent water typing rule. Completion of a permanent rule has been on the Board’s priority list since 2006.

Having to solicit another organization or firm with similar qualifications and bring them up to speed on the water typing rule development process, the purpose of the research, the critical research questions needing to be answered, and the specific objectives of the study would cost additional dollars in order to complete a study design implementation of a permanent water typing rule.

9. 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.

None, soliciting for a new contractor would result in additional costs due to WEST’s extensive familiarity with the project.

**Sole Source Posting**

- Provide the date in which the sole source posting was published in WEBS.
  - If exempt from posting in WEBS, please provide 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**

10. 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.

DNR has administered contracts with other consulting firms and scientists on behalf of the Board and CMER for many years. The AMP has negotiated and implemented numerous personal service contracts and interagency agreements over that same time period. The project cost estimate was established in comparison with costs for similar contracts for consulting work on AMP projects.