

**DETERMINATION AND FINDINGS
FOR
SOLE SOURCE EXTENSION OF A COMPETITIVELY AWARDED CONTRACT
BEYOND FIVE YEARS**

Agency: Department of General Services

Contract No.: DCAM-21-NC-RFP-0011A

Caption: Temporary Staffing Services

Contractor(s): Midtown Personnel, Inc. dba The Midtown Group

FINDINGS

- 1. AUTHORIZATION:**
- 2. D.C. Official Code §§ 2-351.04(28), 2-354.04 and 27 DCMR §§ 2000, 2005, 1304.1 MINIMUM NEED:**

The Department of General Services (“DGS” or the “Department”) requires the continued engagement of the incumbent Contractor to provide Temporary Staffing Services to the District of Columbia Department of General Services. These services are essential to ensuring stable administrative functions, sustaining workload management, and preventing operational gaps that would negatively impact departmental performance.

The Department is currently conducting market research to design a streamlined, long-term procurement strategy for FY27. Completing this analysis responsibly necessitates additional time. As a result, a short-term extension is required to ensure seamless continuity of services during the transition period.

By maintaining the incumbent vendor at existing Option Year 4 (OY4) rates, the District avoids cost escalation and ensures fiscal stability throughout the interim period. This extension provides operational continuity at historically stable pricing while allowing the Department to finalize a competitive sourcing approach under improved market conditions.

ESTIMATED FAIR AND REASONABLE PRICE:

The contract is structured as an Indefinite Delivery/Indefinite Quantity (IDIQ) agreement with a guaranteed minimum annual expenditure of \$250.00 and a non-guaranteed maximum ordering capacity of \$950,000.

3. FACTS WHICH JUSTIFY A SOLE SOURCE EXTENSION OF CONTRACT:

This determination is based on several key factors that justify awarding a sole-source extension for the contract's fifth year:

1. Market Conditions and Competitive Analysis:

Current market indicators for temporary staffing services show continued volatility, including rising labor costs and increased pricing associated with competitive solicitations. Initiating a full RFP or IFB under these conditions is not in the District's best interest. The incumbent's willingness to maintain OY4 pricing provides substantial financial benefit, preventing cost escalation during the extension period. The Contracting Officer's pricing analysis confirms that the OY4 rates remain fair and reasonable.

2. Operational Continuity of Essential Services:

Temporary staffing is crucial to sustaining daily operations and supporting critical administrative activities. Any disruption in staffing coverage would impede workflow, delay deliverables, and create operational inefficiencies. The incumbent's established familiarity with District processes ensures seamless continuation of services and eliminates transition risks.

3. Incumbent Expertise and Efficiency:

The incumbent vendor possesses substantial institutional knowledge of the District's staffing needs, internal workflows, and onboarding procedures. Bringing in a new vendor during this interim period would require time for acclimation, training, and integration, creating inefficiencies and increasing the likelihood of service interruptions. Maintaining the incumbent ensures consistent performance and operational stability.

4. Strategic Procurement Considerations:

Given the volatility in market pricing, initiating a competitive solicitation currently is not financially advantageous to the District. Delaying the source selection process until market conditions stabilize will help ensure a fair and cost-effective procurement outcome, avoiding excessive price increases that would otherwise result from immediate competition. Furthermore, the District is actively developing a more streamlined, strategic solicitation approach for FY27. Launching a competitive procurement prematurely would undermine these efforts, potentially resulting in an incomplete or less effective solicitation that does not fully reflect market research or operational requirements.

The additional time provided through this extension allows the District to finalize the new procurement strategy and conduct a competitive process under improved conditions.

5. Risk Mitigation and Budgetary Constraints:

Given current fiscal pressures, cost containment is a priority. By securing an extension at current rates, the District minimizes financial exposure while avoiding higher replacement costs and ensures uninterrupted service delivery. Without this extension, the District would face increased risk of staffing gaps and operational delays.

4. MARKET STUDY

Pursuant to 27 DCMR § 1700.2(g), comprehensive market analysis comprising historical contract evaluations, industry pricing index reviews, and vendor landscape scans, confirms that immediate competitive solicitation is not in the District's economic interest.

While alternative suppliers are available, severe macro-economic volatility has artificially distorted market pricing. Initiating a competitive procurement in this unstable environment would force bidders to incorporate steep risk premiums into their pricing structures, locking the District into artificially inflated baseline costs for years to come.

Consequently, data validates that a strategic extension of the current contract is the only viable mechanism to insulate public funds from market distortion. This brief, defensive extension stabilizes immediate costs while ensuring the upcoming FY27 competitive procurement is launched under optimized, predictable market conditions.

5. CERTIFICATION BY THE FACILITIES DEPUTY DIRECTOR:

I hereby certify that, to the best of my knowledge and belief, the statements contained herein are true, complete, and accurate.

Danielle Meadors
Chief Operating Officer

Date

6. CERTIFICATION BY THE CONTRACT SPECIALIST:

I have reviewed the above findings and certify to the best of my knowledge and belief, all statements contained herein are true, complete, and accurate.

Kelli Howard
Contract Specialist

Date

7. CERTIFICATION BY CONTRACTING OFFICER/SUPERVISORY CONTRACT SPECIALIST:

Pursuant to my duty as the Contracting Officer for the Goods and Services Acquisition Unit within the Department of General Services (DGS), I have conducted a thorough and diligent review of the findings supporting the sole source extension of the competitively awarded contract beyond five years. Based on this evaluation, I hereby certify that the justification presented is sound, well-founded, and fully consistent with the statutory and regulatory framework governing procurement within the District of Columbia.

In accordance with Section 404(c) of the District of Columbia Procurement Practices Reform Act of 2010 (D.C. Official Code § 2-354.04), the Department's intent to proceed with the sole source extension was duly published, and no responses challenging the determination were received. The findings unequivocally establish that the selected vendor possesses exclusive authorization and technical expertise necessary to fulfill the Department's minimum requirements, thereby warranting approval of the sole source selection methodology.

Accordingly, I respectfully submit this justification for formal approval and determination by the Deputy Chief Procurement Officer, affirming that this procurement action aligns with best practices, fiscal responsibility, and the operational imperatives of the Department.

Kianna Shepherd
Contracting Officer, Supervisory Contract Specialist

Date

DETERMINATION

Having thoroughly examined the aforementioned findings and the CO certification pertaining to the appropriateness of employing the sole source extension of the competitively awarded contract beyond five years with the specified Contractor, and in my capacity as the Department of General Services' Chief Procurement Officer, I affirm that the justification sufficiently warrants the application of the sole source modification method as specified in the cited authority. I certify that the sole source notice of intent to employ the sole source modification method extending the term of the Contract beyond five years was published in accordance with Section 404(c) of the District of Columbia Procurement Practices Reform Act of 2010 (D.C. Official Code §2354.04) and that no response was received.

In conclusion, as the Chief Procurement Officer for the Department of General Services (DGS), I formally endorse the application of the sole source modification method to extend the contract term beyond its originally specified duration. Given the critical nature of the services, this extension represents the sole and necessary approach to ensuring uninterrupted operational efficiency and compliance with the District's infrastructure requirements.

Dr. Jacque McDonald, NIGP-CPP, CPPO, CPPB
Associate Director and Chief of Procurement Officer

Date

