

Intent to Award Sole Source Contracts

Title	Intent to Award Sole Source Contract Extension-Determination and Findings
Notice Date	January 18, 2023
Response Due Date	January 28, 2023
Contract Number	CFOPD-17-C-013
Contract Description	<p>Custody Services</p> <p>Description: The District requires security custodial services in connection with the buying, holding and selling of securities subject to repurchase agreements and other investment instruments for all cash and financial investments of the various funds of the District of Columbia as identified in the District's Comprehensive Annual Financial Report (CAFR, The District invests idle cash balances in short-term secured investments to preserve principal, meet anticipated cash needs, and generate investment earnings.</p>
Vendor Name	Principal Bank
Procuring Agency	Office of the Chief Financial Officer, Office of Contracts
Point of Contact	Peter Lloyd, Contract Specialist peter.lloyd@dc.gov 202-442-6431

**Government of the District of Columbia
Office of the Chief Financial Officer
Determination and Findings
for a
SOLE SOURCE EXTENSION OF CONTRACT**

CONTRACT NUMBER: CFOPD-17-C-013

CONTRACTOR: Principal Bank

CAPTION: Custody Services

PROGRAM AGENCY: Office of the Chief Financial Officer

CONTRACTING AGENCY: Office of Contracts

1. AUTHORIZATION

D.C. Official Code §2-354.04; 27 DCMR 1304, 1700 and 1701 and 2005.2(b)

2. MINIMUM NEED

The District of Columbia, Office of the Chief Financial Officer (OCFO), has an on-going requirement for security custodial services in connection with the buying, holding and selling of securities subject to repurchase agreements and other investment instruments for all cash and financial investments of the various funds of the District of Columbia.

3. ESTIMATED REASONABLE PRICE

The estimated fair and reasonable contract amount for this extension period from February 1, 2023 through January 31, 2024 is not-to-exceed \$150,000.00 based on the contractor's rate and District estimated usage. The contractor's pricing is determined fair and reasonable based on market research and historical data gathered and analyzed by the Office of Finance and Treasury (OFT).

4. FACTS WHICH JUSTIFY SOLE SOURCE EXTENSION OF CONTRACT

- A. Principal Bank is the incumbent contractor and has satisfactorily provided the required services under Contract CFOPD-17-C-013. The contract was awarded with an effective date of February 1, 2017, with a one (1) year base period and four (4), one (1) year option periods. The District has extended the contract through January 31, 2023.
- B. In preparation for a replacement contract, OFT developed requirements based on the latest trends in security custodial services that meets the current requirements and investment activity governed by the Financial Institutions Deposit and Investment Amendment Act as well as the District's Cash & Investment Management Investment Policy (Investment Policy) for serving as the custodian for the District. The improved requirements have been solicited through a competitive procurement and are under negotiations. The resultant contract will require a period to conclude the procurement process and for transition of services to the enhanced requirements. The commencement of the new contract service requirements may begin up to February 1, 2024 due to the necessary period to conclude the procurement process and to transition services to the enhanced requirements.
- C. The OCFO has a critical need to maintain uninterrupted services for compliance with the Investment Policy as the District requests security custody services in connection with the buying, holding and selling of investment securities which may be subject to repurchase agreements, and other instruments for all cash and financial assets of the various District of Columbia funds as identified in the District's Annual Comprehensive Financial Report (ACFR). Principal Bank is uniquely qualified with demonstrated performance and the capacity to provide immediate and consistent services; as such no market survey is conducted.
- D. Therefore, it is necessary for the contract to be extended up to January 31, 2024 to allow for continuity of service, to allow time for the completion of a competitive procurement process for a new contract that best meets the District's needs, and for transition of services to the enhanced requirements.

5. CERTIFICATION BY AGENCY HEAD

I hereby certify that the above findings are true, correct and complete.

Carmen Pigler
Deputy Chief Financial Officer and Treasurer

Date

6. CERTIFICATION BY CONTRACTING OFFICER

I have reviewed the above findings and certify that they are sufficient to justify the sole source extension of this contract under the cited authority. I recommend that the Director approve this sole source extension of this contract.

Drakus Wiggins, CPPB, CPPO
Contracting Officer

Date

DETERMINATION

Based on the above findings and in accordance with the cited authority, I hereby determine that it is not feasible or practical to invoke the competitive solicitation process under either Section 402 or 403 of the District of Columbia Procurement Practices Reform Act of 2010 (D.C. Law 18-371; D.C. Official Code § 2-354.02 or 2-354.03). Accordingly, I determine that it is in the best interest of the District and the District is justified in using the sole source method of procurement to extend the contract term beyond the total term specified in the contract, pursuant to 27 DCMR § 2005.2(b).

Dorothy B. Whisler Fortune, Esq., CPPO
Director of the Office of Contracts
OCFO Chief Procurement Officer

Date