

**DETERMINATION AND FINDINGS
FOR A
SOLE SOURCE EXTENSION**

PROGRAM, AGENCY: Department of Insurance, Securities and Banking (DISB)
PROPOSED CONTRACTOR: Housing Counseling Services, Inc.
Contract No.: CW24302
CAPTION: Housing Counseling Services

FINDINGS

1. AUTHORIZATION:

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

2. MINIMUM NEED:

The District of Columbia Office of Contracting and Procurement (OCP), on behalf of the Department of Insurance, Securities and Banking (DISB) is seeking the services of a qualified supplier to provide Housing Counseling Services to Implement the District of Columbia Mortgage Servicer Settlement Agreement Fund Pursuant to: United States of America et al. v. Bank of America Corp et al., CA No. 12-0361.

Under the terms of the settlement, District of Columbia residents are eligible to receive up to \$40 million for various mortgage related relief, including loan modification and payment to certain borrowers who lost their home to foreclosure. Also, as a result of the settlement, \$4.43 million was paid to the District of Columbia Government (District) through the Office of the Attorney General. The District may use the \$4.43 million to pay for: (1) mortgage-related or foreclosure-related counseling; (2) mortgage-related or foreclosure related legal assistance or advocacy; (3) mortgage-related or foreclosure related mediation; (4) outreach or assistance to help current and former homeowners secure the benefits for which they are eligible under mortgage-related or foreclosure-related settlements or judgments; and (5) enforcement work in the area of financial fraud or consumer protection. The District has agreed that the Department of Insurance, Securities and Banking (DISB) is the appropriate District agency to administer these funds.

3. ESTIMATED REASONABLE PRICE:

The estimated price to provide the required services for the FY17 period of performance of October 1, 2016 through September 30, 2017 is \$975,000.00 and is deemed fair and reasonable based on the current contract.

4. FACTS WHICH JUSTIFY SOLE SOURCE PROCUREMENT:

- The sole source contract is required to ensure the continuity of services by avoiding the interruption of vital mortgage related counseling services until a long term contract can be put in place.
- The current contract was awarded on October 1, 2013 with a base period and two (2) option year periods. The contract's option year two expires on September 30, 2016.
- Housing Counseling Services, Inc. has performed these services for the past three years and worked cohesively with DISB while providing a variety of housing foreclosure support services which include community outreach and marketing, hotline services, housing counseling services, and housing related legal assistance, including foreclosure mediation.
- Housing Counseling Services, Inc. is the only available company requiring no start up time and capable of continuing the required services without interrupting foreclosure related legal assistance or advocacy services until a long term award is in process.
- The interruption of these services could pose a major threat to the District and jeopardize resident's eligibility to receive federal grant dollars from the government for mortgage related relief, including loan modification and payment to certain borrowers who lost their homes to foreclosure.
- Regarding market research and reasonableness. Since this is an extension of an existing contract the same rationale that applied at the time of award is still applicable. Twenty-one CBE firms were invited to submit proposals in response to the District's request to provide the services, and rated accordingly. The fair and reasonable price was established by a court ordered settlement, and Housing Counseling Services prices were determined to be fair and reasonable via the competitive process, and after a thorough review by OCP and an independent cost/price analysis. Therefore, Housing Counseling Services is the only vendor available that offers fair and reasonable prices to continue providing the service at

the level of expertise that is required. It is in the best interest of the District to continue services utilizing the contractor; it will prevent DISB and District residents from experiencing an interruption in these critical services. This seasoned firm can provide the services without delay.

5. CERTIFICATION BY CONTRACTING OFFICER:

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

Date

Todd Allen
Contracting Officer, Government Operations

6. CERTIFICATION BY DEPUTY DIRECTOR:

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 bidding process under either Section 402 or 403 of the District of Columbia Procurement Practice Reform Act of 2010 (D.C. Law 18-371; D.C. Official Code §2-354.02 or 2-354.03). Accordingly, I determine that the District is justified in using the Sole Source method of procurement.

Date

Sheila D. Mobley
Deputy Director for the Office of Contracting and Procurement