

Sole Source CONTRACT Filing **Justification Template**

Use the following justification template for preparing to file sole source contracts in the Sole Source <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 WEBS.

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? WA529 administers the state's college savings plans, GET and WA529 Invest. The core target market for using these plans is families with young children under the age of 13. Our market research has identified youth sports events and participation as a vehicle for



Washington State DEPARTMENT OF ENTERPRISE SERVICES

reaching a high concentration of this market segment. WA529 wishes to enter into sponsorship agreements with youth sports leagues in six specific counties in Washington state (King, Snohomish, Pierce, Clark, Yakima, and Spokane) that we have identified as areas of opportunity to increase awareness of WA529.

Sole Source Criteria

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

TeamSnap offers a turnkey youth sports sponsorship platform. The vendor will recommend organizations, create partnership agreements directly with organizations, execute and verify campaigns, and measure success. The vendor has the ability to target multiple types of youth sports organizations in every county in the state. Products included in the campaign: physical and digital assets, youth sports jerseys, field banners, web banners, mobile application banners, digital communications, photo verification of sponsorship, and pre- and post-season survey data and analysis services. No other entity besides TeamSnap can provide the above summary of comprehensive services. Evidence of this comes from market research conducted prior to an RFP done in 2024 for these services.

 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.

We conducted thorough internet research to determine that TeamSnap is the only agency that can provide the comprehensive list of services, all of which are crucial to the success of this campaign. We also searched WEBS and OMWBE for anything comparable and did not find anything that would match the criteria necessary here. While this field is very broad, and many vendors provide marketing services, it's the deep connection to sports organizations and sponsorships that set this vendor apart from all others.

 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.

Methods used to conduct a review of available sources include: Reviewed vendor's competitive analysis; Researched internet for similar companies (youth sports sponsorship – found none other than TeamSnap); Searched youth sports properties on SponsorUnited, the leading global sports and entertainment intelligence platform.

After reviewing competitors and doing independent research, we found that there were no other businesses that provide the list of products included in our contract with TeamSnap.

Washington State **DEPARTMENT OF ENTERPRISE SERVICES**

• Per the Supplier Diversity Policy, DES-090-06: was this purchase included in the agency's forecasted needs report?

This was included in the agency's 2024 forecasted report and will also be listed in the 2025/26 report.

Describe what targeted industry outreach was completed to locate small and/or veteranowned businesses to meet the agency's need?

Because of the unique nature of this marketplace, and the lack of proof of this type of solicitation in WEBS or OMWBE we do not have data that would show any small and/or veteran businesses exist. We also did not have any interest from this community when we ran our competitive solicitation in 2024.

• 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.

Although not based in Washington, internet research reveals TeamSnap has approximately 150 employees. Unbundling the services provided and going direct to the individual sports leagues would not provide access to the complete range of products and services offered by TeamSnap. Also, because of the connections between sports leagues and sponsors, unbundling would make it harder to communicate the same message to all teams. Messaging coming from multiple sources could lead to inconsistencies and inaccurate information being shared, thus creating confusion for those that need the information.

• 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).

Contracting with individual leagues would be time-consuming and costly, and greatly limit the type of leagues available, the assets, and the reach of the marketing campaign. It would also require substantial time and effort to compile the campaign's results, which are provided turnkey by TeamSnap. TeamSnap also provides polling of families reached about awareness and perception of the sponsor, which would require an additional contract with a research/polling vendor if we did not contract with TeamSnap.

- Is the agency proposing this sole source contract because of special circumstances such as confidential investigations, copyright restrictions, etc.? If so, please describe.
- No
- 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

DES Washington State DEPARTMENT OF ENTERPRISE SERVICES

that imposed the constraints, explain the authority of that entity to impose them, and provide the timelines within which work must be accomplished.

No

• 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 the filing is not approved, we would then need to limit the scope of our marketing plan, which would impact the extent of marketing WA529, a revenue-generating program for the State of Washington. Contracting with individual leagues would be time-consuming and costly, and greatly limit the type of leagues available, the assets, and the reach of the marketing campaign. It would also require substantial time and effort to compile the campaign's results, which are provided turnkey by TeamSnap.

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.
- To be determined

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.



Washington State DEPARTMENT OF ENTERPRISE SERVICES

Event sponsorships of similar scope often run \$10,000-\$15,000, while sponsorships on digital applications with similar reach can vary greatly, from as low as \$10,000 to a potential high of \$30,000 to \$40,000. The proposed cost of sponsoring six leagues in Winter season and six leagues in Spring (total 12 leagues) plus the digital application sponsorship is \$75,000, putting the per-league cost below the extreme low end of the typical range. The scalability, turnkey nature of the sponsorship, and the proliferation of qualified leads reached with each league adds to the efficiency of this campaign.