

Sole Source CONTRACT Filing Justification Template

Division or Region: Aquatic Resources Division

Date: November 7, 2025

Solicitation Number: Contract number 93-108075

Company Name: EcoScan Resource Data

Sub-object good/services will be charged once approved: CF

Funding Source (federal/state/local): state

Vendor FIN/TIN (Federal ID#/ Taxpayer ID#): 94-2815734

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

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?

DNR is mandated to manage state-owned aquatic resources under RCW 79.10. Furthermore, DNR's Aquatic Resources Division is mandated to manage state-owned aquatic lands in a manner that protects their long-term sustainability and functions. Marine vegetation, especially kelp and eelgrass, is recognized to be critical nearshore habitat in the Puget Sound region of Washington State as well as the Strait of Juan de Fuca and the open coast. It supports a wide range of threatened species, including salmon and orca whales. For this reason, its protection is a centerpiece of DNR environmental protection, both in existing regulations and in DNR's stewardship measures for aquatic land management. In addition to supporting DNR's legislative mandate, the work under this contract will support fellow state agency, the Puget Sound Partnership, and their initiative to protect and restore the Puget Sound.

An important component of protection is monitoring. This contract is needed for DNR to track the status of kelp habitat. The floating kelp communities along the outer coast and Strait of Juan de Fuca are critical fish and wildlife habitat and are an important source of food in the marine ecosystem. The kelp beds have been inventoried every year since 1989, except for 1993. DNR synthesizes inventories from all years into a multi-year spatial database that allows natural resource agencies to quantify the extent of the kelp resources, inter-annual variation, and trends in coverage over time. The spatial database has widespread utility for land management and environmental monitoring. It is also used extensively by state, federal, and local governments, as well as non-governmental entities. This spatial database is available for download free at the state spatial data clearinghouse (www.geo.wa.gov). This spatial database is also the foundation of status and trends assessments of floating kelp canopies on the open coast and Strait of Juan de Fuca, providing necessary data for the Washington Floating Kelp Vital Sign Indicator (https://vitalsigns.pugetsoundinfo.wa.gov/VitalSignIndicator/Detail/62). This is an indicator that is part of the Beaches and Marine Vegetation Vital Sign, a product produced by DNR, the Kelp Forest Monitoring Alliance of Washington State, and the Puget Sound Partnership. Without this database, DNR would not be able to update status and trends assessments for this large, important, kelp-filled region (i.e. the open coast and the Strait of Juan de Fuca).

Sole Source Criteria

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

The deliverables provided under the contract are the specialized expert services of the Ecoscan Resource Data as the Contractor. Ecoscan Resource Data's most important specialized expert service lies in implementing highly consistent multiyear methods. Consistent methods are critical to successful long-term monitoring. Without consistent methods, data sets detect a change in methods rather than an actual, real change. Consistency is especially important in the field of aerial photography interpretation, which tends to have observer effects because it is an interpretive science. The data acquisition surveys to be conducted utilize the protocols, criteria, and expertise established by the prior services contracts.

Washington State's coastal kelp resource inventories have been conducted yearly by this vendor with data collected from 1989 to 2022, using the same protocols for data acquisition, photo



interpretation, and mapping methodology. Consistency is a critical factor for building the coastal kelp resource database. This vendor developed analysis algorithms and workflows which they will allow them to provide substantial data analysis to DNR at minimal cost. Contracting separately for analysis would result in increased administrative and contract costs for constructing a duplicate database and then conducting the analysis.

Ecoscan Resource Data is also a unique vendor in that they can perform the tasks defined in this contract in a cost-effective manner, that reduces risk of inconsistent interpretive data and duplicate work for minimum benefit to the state. This ability is due to its broad expertise in this field, specific experience working with the DNR nearshore datasets and specialized technical expertise in the scientific field required to complete this task. For other contractors, the learning curve associated with the work would preclude completion of the project, potentially jeopardizing the work being completed within the allotted budget. Furthermore, even if another contractor attempted the learning curve, it would not be possible to attain sufficient certainty that the new contractor's work would be adequately consistent with the existing long-term dataset that has been created by Ecoscan Resource Data. Ecoscan Resource Data has experience providing the level of data required by DNR for over 35 years.

 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.

DNR explored the capability of Washington State Department of Transportation (WSDOT) to complete this type of work, but they do not have expertise in kelp mapping. DNR did previously contract with them for aerial photography collection but in that case, nearshore ecological mapping expertise was not required. DNR also explored the capability of DNR's internal photogrammetry department to complete this work, but their expertise is in aerial triangulation and orthophotography, not image interpretation.

DNR also spoke with consulting companies that specialize in similar natural resource fields and found that no groups contacted had substantial experience conducting this type of survey along the Washington State coastline, which poses significant environmental challenges, such as weather. The general approach taken by other consultants to keep costs low is to conduct automated classification of satellite imagery. This approach is generally successful in other regions, such as California. DNR is currently working with experts in California to develop satellite-based methods. Early results show that satellite imagery underestimates kelp canopies in Washington State by an order of magnitude (10% of resource is detected with satellites). This poor result was anticipated. Satellite imagery is rarely available on the outer coast of Washington State because it needs to be collected during low tide, low current, and cloud-free periods. Time windows that meet these requirements are so narrow that a plane needs to be on standby and then deployed immediately when weather conditions are acceptable.

Some companies routinely collect plane-based images and subsequently offer it for sale or for further processing (such as nearmaps and L3Harris), Unfortunately, these sources of existing imagery use general imagery specifications rather than following the specialized environmental requirements for kelp imagery, so their imagery does not meet project requirements. Ecoscan Resource Data does collect the necessary imagery following specifications that maximize kelp detection capabilities.

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.

There is no current DES statewide contract for this type of work. DNR has solicited using RFPs to conduct aerial imagery collection and processing when possible (including DNR's contract with NV5G under DNR #93-102831). However, for this specific project, DNR cannot solicit as the work is part of a legacy data stream (annually since 1989, except 1993), where consistency in methods is vital to comparability among years and the success of the project. To match a similar level of expertise in all aspects of this contract, any other contractor would have inhibitory expenses and time commitment that would preclude the timely and consistent production of the required imagery and other products. Ecoscan Resource Data has extensive experience, consistent methodology, and specific pipelines for collecting, processing, and producing these data and products.

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

Yes.

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

DNR searched the Office of Minority and Women's Business Enterprises Certified Business Directory but did not find any vendors that had the capability to perform the work to project requirements and standards. Ecoscan Resource Data is a small business but is not a Washington State small business as they are based out of California.

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.

Due to the integrated nature of the contract, which integrates data collection and subsequent analysis, it is not feasible to unbundle goods and/or services.

 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).



Successful long-term monitoring depends on consistency of methods. Consistency is especially important in the field of aerial photography interpretation, which tends to have observer effects because it is an interpretive science. This contractor has completed kelp mapping for DNR since 1989. This experience maximizes DNR's potential for getting a high quality and consistent product for a predictable and consistent cost.

In addition to producing high quality data that is highly consistent with previous years' methods, this contractor's expertise in this particular scientific field leads to minimal learning curve or start-up costs. Other contractors would need to familiarize themselves first with the mapping methods and then the nearshore environment, which would increase costs substantially.

Contracting with Ecoscan Resource Data, also mitigates the risk of false and/or incorrect data being included in the statewide Floating Kelp Vital Sign Bed Area Indicator. This indicator is included in the Puget Sound Partnership's Vital Signs program and is used to identify locations where floating kelp losses have occurred and to inform management decisions regarding mitigation, protection, and restoration activities. Therefore, the production of a consistent, legacy data product mitigates potential management risks associated with inappropriate lack of action or instigation of action that could occur if this project was completed by a less-experienced vendor or a vendor also contending with a steep learning curve.

• 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 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 this sole source filing is not approved, DNR will not fulfill its commitment for environmental monitoring of kelp canopies. DNR's kelp monitoring role and the importance of the data to resource management are detailed in the Puget Sound Kelp Conservation and Recovery Plan (https://nwstraits.org/media/3020/pugetsoundkelpconservationandrecoveryplan.pdf). These data are also necessary for the development and implementation of the Statewide Kelp Forest and Eelgrass Meadow Health and Conservation Plan (established by RCW 79.135.440; https://www.dnr.wa.gov/kelp-and-eelgrass-plan). This legacy data stream that has been provided by Ecoscan Resource Data is the primary source of floating kelp status and trend data in one of the three sub-basins outlined in the Kelp Forest and Eelgrass Meadow Health and Conservation Prioritization Plan (Eastern Strait of Juan de Fuca sub-basin). As part of the legislative mandate



to protect at least 10,000 acres of kelp and eelgrass habitat by 2040, DNR is working with partners to identify priority locations for conservation and management actions.

If DNR is not able to use Ecoscan Resource Data for this project, DNR will not be able to provide consistent, accurate data to this decision process as other contractors would not be able to provide the consistent, accurate data required for the project as even spending more to account for another vendor's learning curve would still produce data inconsistent with the current information collected and analyzed consistently since 1989. Without consistent, accurate data from this legacy data stream, DNR and other managers may make policy decisions based on incorrect data.

In recognition of the ecological importance of kelp, the Puget Sound Partnership recently added kelp to its suite of vital sign indicators that are used to assess habitat conservation and restoration (https://vitalsigns.pugetsoundinfo.wa.gov/VitalSignIndicator/Detail/62). Thus, if DNR is not able to gather this type of data according to schedule, this fellow state agency will also be lacking essential information for their programmatic needs.

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.
- 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.
- 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

• 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.

Costs for this contract are substantially less than that of other similar contractors, as described below:



Costs for obtaining just the aerial photography is estimated to be \$50,000 per year or more, as compared to \$7,485 through the proposed contractor. While the proposed contractor's work is lower resolution and is not constructed into digital orthophotos, the resolution is consistent with previous years and fulfills the requirement for consistent long-term monitoring methodology.

Data processing and data analysis costs rates are extremely low. Rates for the proposed contractor equate to total fees of approximately \$50 per hour for all staff and equipment. These rates are comparable to or cheaper than other contractors for this type of work. In addition to reasonable overall cost, the proposed contractor has demonstrated that they can complete the work at these costs, and any additional overhead costs will be minimal. Contract costs will be very similar to previous years for the same body of work. For example, the proposed contract is approximately 5% more than previous contract, to cover increased costs of fuel and other business expenses.