

GOVERNMENT OF THE DISTRICT OF COLUMBIA
Office of Contracting and Procurement



Pursuant to section 202(c-1) of the Procurement Practices Reform Act of 2010, as amended, D.C. Official Code § 2-352.02(c-1), the following contract summary is provided:

COUNCIL CONTRACT SUMMARY

(Retroactive)

- (A) Contract Number:** CW105986
- Proposed Contractor:** Axar Management, LLC dba Quality Inn & Suites
(Quality Inn)
- Contract Amount:** Not-to-Exceed (NTE) \$7,714,205.60
- Unit and Method of Compensation:** Fixed Unit Rate with Cost Reimbursement Component
- Term of Contract:** July 1, 2023 through June 30, 2024
Option period one
- Type of Contract:** Firm-Fixed Price Contract based upon Fixed Unit Rate with a
Cost Reimbursement Component
- Source Selection Method:** Emergency Contract under Act A24-0618 “Migrant Services
and Supports Temporary Act of 2022”

(B) For a contract containing option periods, the contract amount for the base period and for each option period. If the contract amount for one or more of the option periods differs from the amount for the base period, provide an explanation of the reason for the difference:

Base Period Amount: NTE \$2,048,799

Option Period One Amount: NTE \$7,714,205.60

Explanation of difference from base period (if applicable):

The increase in cost from base period to option period one is due to a longer period of performance. The period of performance for base period is comprised of four months, while the period of performance for option period one is for twelve months.

Option Period Two Amount: NTE \$7,949,540.00

Explanation of difference from base period (if applicable):

The increase in cost from base period to option period one is due to an increase in room rate and longer period of performance. The period of performance for base period is comprised of four months, while the period of performance for option period one is for twelve months.

Option Period Three Amount: NTE \$8,205,186.00

Explanation of difference from base period (if applicable):

The increase in cost from base period to option period one is due to an increase in room rate and longer period of performance. The period of performance for base period is comprised of four months, while the period of performance for option period one is for twelve months.

(C) The goods or services to be provided, the methods of delivering goods or services, and any significant program changes reflected in the proposed contract:

The contract with Quality Inn is to provide emergency temporary accommodations for migrants that are undocumented, displaced and who have been bused to the District of Columbia. The services consist of hotel rooms for temporary emergency shelter use; standard hotel operation and management services.

(D) The selection process, including the number of offerors, the evaluation criteria, and the evaluation results, including price, technical or quality, and past performance components:

In January 2023, the Office of Contracting and Procurement (OCP) on behalf of the Department of Human Services (DHS), Office of Migrant Services (OMS) solicited an emergency quote from Quality Inn to provide emergency temporary accommodations for migrants. The provider was selected on an emergency basis; based on their experience housing individuals and families experiencing homelessness and displacement; its immediate rooms availability; and it did not require lead time to clear occupied rooms or reservation system.

The contracting officer determined the price to be fair and reasonable based on historical pricing of similar services, and the provider has successfully provided the same or similar services to DHS in the past. As a result, Quality Inn was wrongfully awarded contract CW105986, under Act A24-0618 “Migrant Services and Supports Temporary Act of 2022”, Section 105-Contracting. Section 105-Contracting expired on December 29, 2022.

(E) A description of any bid protest related to the award of the contract, including whether the protest was resolved through litigation, withdrawal of the protest by the protestor, or voluntary corrective action by the District. Include the identity of the protestor, the grounds alleged in the protest, and any deficiencies identified by the District as a result of the protest:

No protests were received.

(F) The background and qualifications of the proposed contractor, including its organization, financial stability, personnel, and performance on past or current government or private sector contracts with requirements similar to those of the proposed contract:

Quality Inn has provided temporary emergency accommodations to DHS for the following programs: hypothermia, COVID-19 emergency response and the migrant state of emergency.

Quality Inn has adequate financial resources to perform the required services and the ability to obtain those resources. The evidence is provided from the provider's financial history as reported by Dun and Bradstreet Business Report completed on August 6, 2023. The provider has provided the same or similar services for the District and received exceptional performance ratings. This evidence is provided in their past performance evaluation dated August 8, 2023.

(G) The period of performance associated with the proposed change, including date as of which the proposed change is to be made effective:

Period of performance from July 1, 2023 through June 30, 2024.

(H) The value of any work or services performed pursuant to a proposed change for which the Council has not provided approval, disaggregated by each proposed change if more than one proposed change has been aggregated for Council review:

Modification No. M0002: not-to-exceed \$7,714,205.60

(I) The aggregate dollar value of the proposed changes as compared with the amount of the contract as awarded:

Aggregate dollar value: \$7,714,205.60

(J) The date on which the contracting officer was notified of the proposed change:

The contracting officer was notified on August 1, 2023, that the section of the Act under which the contract was authorized, expired on December 29, 2022. Section 105-Contracting, was not extended through August 3, 2023 along with the rest of the provisions within the Migrant Services and Support Temporary Act, A24-0618.

(K) The reason why the proposed change was sent to Council for approval after it is intended to take effect:

The contract was erroneously awarded under the Migrant Services and Supports Temporary Act of 2022, A24-0618 Section 105-Contracting; under which the contracting authority did not require prior Council approval.

(L) The reason for the proposed change:

The District had an urgent and immediate need to secure an additional hotel site to provide immediate temporary shelter for the increasing and rapid influx of displaced migrants being bused into the District. The emergency contract was needed to secure accommodations for the arriving migrants to meet their housing needs while receiving support to transition to other parts of the nation; or resettle in the District.

The emergency contract would have been prepared for Council approval before authorizing Services over one million dollars, however, it was erroneously authorized under the Migrant Services and Supports Temporary Act of 2022, under which the contracting authority did not require prior Council approval. The signatory later learned that Section 105 – Contracting under the Act expired on December 29, 2022. This section was not extended through August 3, 2023 along with the other provisions in the Act.

(M) The legal, regulatory, or contractual authority for the proposed change:

Migrant Services and Supports Temporary Act of 2022, A24-0618 Section 105-Contracting. However, Section 105-Contracting expired on December 29, 2022.

(N) A summary of the subcontracting plan required under section 2346 of the Small, Local, and Disadvantaged Business Enterprise Development and Assistance Act of 2005, as amended, D.C. Official Code § 2-218.01 *et seq.* (“Act”), including a certification that the subcontracting plan meets the minimum requirements of the Act and the dollar volume of the portion of the contract to be subcontracted, expressed both in total dollars and as a percentage of the total contract amount:

The contract was erroneously awarded under the Migrant Services and Supports Temporary Act of 2022, A24-0618 Section 105-Contracting; under which the contracting authority did not require subcontracting requirements.

(O) Performance standards and the expected outcome of the proposed contract:

The District expects Quality Inn to provide temporary emergency accommodations to migrants, in accordance with the terms of the contract. In Section F.4 of the contract, the District outlines the required deliverables that the contractor is responsible for providing. The goal of the contract is to respond to the urgent shelter needs of these migrants that are undocumented, displaced and have been bused to the District of Columbia.

(P) The amount and date of any expenditure of funds by the District pursuant to the contract prior to its submission to the Council for approval:

\$7,714,205.60 for the period of performance July 1, 2023 through June 30, 2024.

- (Q) A certification that the proposed contract is within the appropriated budget authority for the agency for the fiscal year and is consistent with the financial plan and budget adopted in accordance with D.C. Official Code §§ 47-392.01 and 47-392.02:**

Per the funding certification, the Associate Chief Financial Officer certified that funds are available to fund the services.

- (R) A certification that the contract is legally sufficient, including whether the proposed contractor has any pending legal claims against the District:**

The proposed contract has been reviewed for legal sufficiency by the Office of the Attorney General and has been determined to be legally sufficient.

The proposed contractor does not currently have any pending legal claims against the District.

- (S) A certification that Citywide Clean Hands database indicates that the proposed contractor is current with its District taxes. If the Citywide Clean Hands Database indicates that the proposed contractor is not current with its District taxes, either: (1) a certification that the contractor has worked out and is current with a payment schedule approved by the District; or (2) a certification that the contractor will be current with its District taxes after the District recovers any outstanding debt as provided under D.C. Official Code § 2-353.01(b):**

The Citywide Clean Hands database indicates that the contractor is current with its District taxes.

- (T) A certification from the proposed contractor that it is current with its federal taxes, or has worked out and is current with a payment schedule approved by the federal government:**

Based on information contained in the Bidder Offeror certification form dated August 7, 2023, Quality Inn has certified that it is current with its federal taxes.

- (U) The status of the proposed contractor as a certified local, small, or disadvantaged business enterprise as defined in the Small, Local, and Disadvantaged Business Enterprise Development and Assistance Act of 2005, as amended, D.C. Official Code § 2-218.01 *et seq.*:**

Quality Inn is not a certified local, small, or disadvantaged business enterprise.

- (V) Other aspects of the proposed contract that the Chief Procurement Officer considers significant:**

None.

(W) A statement indicating whether the proposed contractor is currently debarred from providing services or goods to the District or federal government, the dates of the debarment, and the reasons for debarment:

Based on searches of the District Office of Contracting and Procurement (OCP) excluded parties list, System for Award Management (SAM) database conducted on August 5, 2023, Quality Inn is not debarred or suspended from Federal or District procurements.

(X) Any determination and findings issued relating to the contract's formation, including any determination and findings made under D.C. Official Code § 2-352.05 (privatization contracts):

The determination and finding for use of emergency contract dated July 13, 2023.

(Y) Where the contract, and any amendments or modifications, if executed, will be made available online:

The Office of Contracting and Procurement website, www.ocp.dc.gov.

(Z) Where the original solicitation, and any amendments or modifications, will be made available online:

Not applicable.