

Chairman Phil Mendelson
at the request of the Not-for-
Profit Hospital Corporation

A RESOLUTION

IN THE COUNCIL OF THE DISTRICT OF COLUMBIA

To declare the existence of an emergency with respect to the need to approve Contract No. NFPHC-OPS-23-C-00059 between the Not-for-Profit Hospital Corporation, commonly known as United Medical Center (“Hospital”), and Morrison Management Specialists, Inc., for the provision Food and Nutrition Management services to the Hospital, and to authorize payment for the services received and to be received under the Contract.

RESOLVED, BY THE COUNCIL OF THE DISTRICT OF COLUMBIA, That this resolution may be cited as the “Contract No. NFPHC-OPS-23-C-00059 between the Not-for-Profit Hospital Corporation and Morrison Management Specialists, Inc., Approval and Payment Authorization Emergency Declaration Resolution of 2024”.

Sec. 2. (a) There exists an immediate need to approve Contract No. NFPHC-OPS-23-C-00059 (“Contract”) between the Not-for-Profit Hospital Corporation (“Hospital”) and Morrison Management Specialists, Inc., for the provision of Food and Nutrition Management services to the Hospital (“Services”), and to authorize payment for the services received and to be received under this Contract.

36 (b) As the Hospital moves rapidly toward closure, sole sourcing to incumbent
37 vendors, wherever possible and within fiscal limitations, has become the preferred
38 approach to stabilizing critical services without disrupting patient care. Accordingly,
39 when the prior engagement for these services approached expiration in July 2023, the
40 Hospital selected incumbent vendor, Morrison, as its preferred vendor under a new
41 contract that would likely continue until the facility closed in early 2025.

42 (c) To avoid a lapse in these critical services while also providing additional time
43 for detailed negotiations of a new twelve (12) month base contract, UMC sought to
44 quickly execute a letter contract with Morrison, as permitted under its Procurement Rules
45 (27 DCMR 4614(f)). Despite the good faith and timely efforts of both parties, attempts
46 to finalize early drafts of the letter contract (at 90 days and 180 days), were unsuccessful
47 largely due to the hospital's looming wind down and eventual closure. Fluctuating
48 patient and staff volumes, higher vendor costs even for incumbents, and continuing fiscal
49 limitations made service level and associated cost determinations extremely difficult.
50 Morrisons's change in leadership also contributed to the significant delay.

51 (d) In early calendar year 2024, the parties finished negotiating the letter contract;
52 it was fully executed on February 12, 2024, in the amount of \$891,076, for a seven (7)
53 month base period (August 1, 2023 - February 29, 2024). Council approval was not
54 required.

55 (e) During this prolonged period, the parties also completed negotiations for the
56 five (5) months remaining in the base year (March 1, 2024 – July 31, 2024), in the
57 amount of \$636,483.22. Once definitized (merged with the fully executed letter

58 contract), the result is a proposed, retroactive, definitized base period contract in the
59 amount of \$1,527,560.00, for a twelve (12) month base year (August 1, 2023 – July 31,
60 2024).

61 (f) The parties hereby submit the proposed definitized base year of the Contract in
62 the amount of \$1,527,560.00, with a twelve (12) month retroactive period of August 1,
63 2023 to July 31, 2024, because the aggregate value exceeds \$1 million in a 12-month
64 period; therefore, Council approval is necessary.

65 (g) Without this approval, Morrison Management Specialists, Inc., cannot be paid
66 for these critical services provided and to be provided in excess of \$999,999.99.

67 Sec. 3. The Council determines that the circumstances enumerated in section 2
68 constitute emergency circumstances making it necessary that Contract No. NFPHC-OPS-
69 23-C-00059 between the Not-for-Profit Hospital Corporation and Morrison Management
70 Specialists, Inc., Approval and Payment Authorization Emergency Act of 2024, be
71 adopted after a single reading.

72 Sec. 4. This resolution shall take effect immediately.