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DETERMINATION

AUTHORIZING SOLE SOURCE PROCUREMENT
DEPARTMENT OF GENERAL OF SERVICES

GUARANTEED ENERGY SAVINGS ACT PROJECT
DEPARTMENT OF CORRECTION
SCI – FRACKVILLE
PENNSYLVANIA

The Department of Corrections (DOC) has an immediate necessity to upgrade critical areas of need for SCI Frackville's aging infrastructure and provide pathways to add cooling systems to key buildings.

Construction upgrades to SCI Frackville will occur under DGS' Guaranteed Energy Savings Act Program and is scheduled to begin immediately upon the DOC's approval of an Investment Grade Audit Report, expected by end of summer 2023.

Projects under DGS' Guaranteed Energy Savings Act Program are currently financed under a 2021 Master Installment Purchasing Agreement (IPA) with **TD Bank**. The Master IPA Agreement had an original twenty-four-month duration or a \$100,000,000 finance limit with an option that was exercised to add an additional twelve-month period and \$30,000,000 to the total finance amount. Approximately \$20,000,000 of financing remains available on the 2021 Master IPA and will be used to partially fund the SCI Frackville project. An additional amount of funding estimated to be \$7,423,785 is needed to complete the project (total project cost \$27,423,785). DGS has awarded another Master IPA in 2023 to Bank of America, but funding will not be available from that contract for several months. A sole source award to TD has been determined to be the quickest method to receive the additional funding required to complete the project.

A sole source award to TD has been determined to be the quickest method to receive the additional funding required to complete the project, and TD has agreed to provide additional funding.

Due to the internal processes of TD Bank, as it relates to escrow accounts and bookkeeping and the internal contract execution processes of the Commonwealth, it would be most efficient for the sole source to be in an amount that would cover the full cost of the of the project (with slight overage to in case of unintended costs).

The Secretary of DGS designated the Deputy Secretary to determine authorization of sole source procurement in this instance.

Pursuant to the provisions of Section 515 of the Commonwealth Procurement Code, DGS renders this written determination:

1. The immediate necessity to upgrade critical area of need for SCI Frackville in a condensed timeframe make it clearly not feasible to award the contract for services on a competitive basis.
2. It is in the best interest of the Commonwealth to contract with TD Bank for financing services through sole source procurement rather than any other procurement method.

Jason Snyder *Date*
Deputy Secretary
Property and Asset Management