

Exhibit A – Written Justification for Sec. 040(a)(1)

Regarding Professional Services Contract between

**Legislative Budget and Audit Committee
and
Gaffney, Cline, and Associates, Inc.**

Under section 040(a)(1) of the Legislative Procurement Procedures, I find it is not practicable to award a new contract by competitive method, and is in the best interests of the Legislative Budget and Audit Committee (Committee) to enter a new contract with Gaffney, Cline & Associates, Inc., (GCAI).

It remains impracticable to award a new contract by a competitive method. There is an energy crisis facing Alaska and time is of the essence. On January 29, 2024, the Committee posted Request for Proposals (RFP) 24-33-02 seeking firms that offer economic expertise in Alaska natural resource fiscal systems, including oil and gas systems, gas pipelines, carbon offsets, carbon credits, carbon storage projects, and the development and operation of liquid natural gas infrastructure. GCAI was the only bidder that responded to the original RFP. As described in the April 22, 2024, Written Justification for Sec. 040(a)(1), that the scope of work under the April 22, 2024, Professional Services Contract between the parties was dramatically scaled down from that of the original RFP 24-33-02 due to concerns that GCAI was already contracted by the executive branch for a similar scope of services, which created a conflict of interest. The executive branch has subsequently stated it no longer intends to use the services of GCAI under its contract, thereby allowing the Committee to reinstate the full scope of work outlined in the original RFP. Given the legislation now under consideration by the Legislature as it ends its second session, it is in the best interests of the Committee to enter a contract with a broader scope of services than that under April 22, 2024, Professional Services Contract between the parties.

It would be time-consuming and impractical to resolicit for these services since GCAI was the only offeror for RFP 24-33-02.



6/24/2024

Representative Ben Carpenter Date
Chair, Legislative Budget and Audit Committee
Procurement Officer