Hurricane Katrina Recovery: Contracting Opportunities

L. Elaine Halchin
Analyst in American National Government
Government and Finance Division

Summary

Companies unfamiliar with the federal procurement process may find useful information at several government websites, including those of the General Services Administration (GSA) and the Small Business Administration (SBA). Usually, agency solicitations for goods and services valued at amounts over $25,000 may be found on the government’s Federal Business Opportunities (FedBizOpps) website. While the U.S. Army Corps of Engineers (USACE) posted several hurricane recovery related solicitations on FedBizOpps following Hurricane Katrina, some agencies may be posting solicitations, and offering other types of access to contracting opportunities, on their individual websites. Monitoring several federal government websites, instead of just FedBizOpps, may be an effective way to track contracting opportunities related to Hurricane Katrina recovery and reconstruction efforts. Under the Robert T. Stafford Disaster Relief and Emergency Assistance Act, and as codified in 42 U.S.C. § 5150, preference is to be given, in the expenditure of federal funds for major disaster or emergency assistance activities, to private organizations, companies, and individuals residing or doing business primarily in the affected area. However, this provision does not guarantee that these groups and individuals will be awarded any contracts.

Overview of the Federal Procurement Process

Major Steps

After an agency has determined its requirements for particular goods or services, it issues a solicitation, which is a “request [to interested companies] to submit offers or quotations to the Government.”¹ If the agency is using sealed bid procedures, the solicitation is called an “invitation for bid” (IFB); for negotiated procurements, the

¹ FAR Suppart 2.1. “FAR” refers to the Federal Acquisition Regulation. Rules governing the federal procurement process are codified in the FAR, which consists of Parts 1-53 of Title 48 of the Code of Federal Regulations (C.F.R.), and which is available at [http://www.arnet.gov/far].
Businesses interested in competing for the opportunity to be awarded a contract prepare their proposals according to, at a minimum, information and instructions provided in the solicitation and the Federal Acquisition Regulation (FAR). In addition to identifying the procuring agency, a solicitation describes the services or items to be purchased, identifies the evaluation factors that will be used in selecting a source, stipulates the format and contents of proposals, references applicable contract clauses, and provides a due date for the submission of offers. Agency officials review and evaluate bids and proposals, select one or more contractors to do the work, and award the contract(s). After a contractor has begun work, agency personnel then administer and monitor the contract.

**Other Than Full and Open Competition**

Several key characteristics of this process change when an agency conducts a procurement under other than full and open competition, which is popularly referred to as “sole source” or “no bid” contracting.” Notably, instead of posting a solicitation on the FedBizOpps website, agency personnel provide the solicitation to one or more companies that they believe are capable of meeting the agency’s requirements. Other than full and open competition is permitted under the following, as quoted from the FAR.

- **Only one responsible source and no other supplies or services will satisfy agency requirements.** When the supplies or services required by the agency are available from only one responsible source, or, for DOD, NASA, and the Coast Guard, from only one or a limited number of responsible sources, and no other type of supplies or services will satisfy agency requirements.

- **Unusual and compelling urgency.** When the agency’s need for the supplies or services is of such an unusual and compelling urgency that the Government would be
seriously injured unless the agency is permitted to limit the number of sources from which it solicits bids or proposals, full and open competition need not be provided for.

**Industrial mobilization; engineering, developmental, or research capability; or expert services.** Full and open competition need not be provided for when it is necessary to award the contract to a particular source or sources in order to maintain a facility, producer, manufacturer, or other supplier ... to establish or maintain an essential engineering, research or development capability ... [or] to acquire the services of an expert or neutral person for any current or anticipated litigation or dispute.

**International agreement.** Full and open competition need not be provided for when precluded by the terms of an international agreement or a treaty between the United States and a foreign government or international organization, or the written directions of a foreign government reimbursing the agency for the cost of the acquisition of the supplies or services for such government.

**Authorized or required by statute.** Full and open competition need not be provided for when a statute expressly authorizes or requires that the acquisition be made through another agency or from a specified source; or the agency’s need is for a brand name commercial item for authorized resale.

**National security.** Full and open competition need not be provided for when the disclosure of the agency’s needs would compromise the national security unless the agency is permitted to limit the number of sources from which it solicits bids or proposals.

**Public interest.** Full and open competition need not be provided for when the agency head determines that it is not in the public interest in the particular acquisition concerned.7

A contracting officer is required to justify, in writing, other than full and open competition actions, certify the accuracy and completeness of the justification, and obtain approval from the appropriate agency authority.8 When not providing for full and open competition, a contracting officer, nevertheless, is to solicit offers “from as many potential sources as is practicable under the circumstances.”9 In practice, this may mean that a contracting officer contacts a small number of companies, or possibly only one, when seeking a firm that can meet an agency’s particular requirements.

Information from federal agencies and the news media indicates that, at least initially, federal agencies involved in Katrina recovery efforts have resorted to other than

---

7 FAR §§ 6.302-1-6.302-7. Statutory authority for other than full and open competition is found in 41 U.S.C. 253(c) (civilian agencies) and 10 U.S.C. 2304 (Department of Defense).

8 FAR § 6.303-1(a).

9 FAR § 6.301(d).
full and open competition for some contracts. It is not known to CRS which rationale or rationales are being used to justify other than full and open competition.

Resources

General Information on Federal Government Contracting

Both the General Services Administration (GSA) and the Small Business Administration (SBA) provide information and offer assistance to firms seeking to do business with the federal government. The websites for these agencies, [http://www.gsa.gov] and [http://www.sba.gov], provide information useful to small businesses. For example, a link from the GSA home page is “Small Business Assistance.” An additional website that offers information for would-be government contractors is Business.gov, at [http://www.business.gov], which is a component of the federal government’s official web portal, FirstGov.

Finding Contracting Opportunities Related to Recovery and Reconstruction Efforts

As federal agencies continue to respond to immediate needs and deal with the challenges of a massive contracting effort aimed at rebuilding the affected area, the location and extent of information about contracting opportunities may vary from agency to agency. While some agencies are using FedBizOpps to post their solicitations, others are not and may not for some time. Therefore, finding relevant contracting opportunities may necessitate visiting selected agency websites as well as FedBizOpps.

Department of Homeland Security (DHS) and Federal Emergency Management Agency (FEMA). The Department of Homeland Security maintains a National Emergency Resource Registry, at [https://www.swern.gov/]. Companies interested in contracting opportunities or making donations related to the recovery from Hurricane Katrina may register on this site. FEMA’s website, “Doing Business with FEMA,” at [http://www.fema.gov/ofm/business.shtm], provides information to would-be vendors. At this time, it is unclear whether FEMA is accepting information directly from businesses that would like to do work for the agency.

FedBizOpps Website. For the time being, agencies involved in recovery efforts apparently may not be submitting solicitations to FedBizOpps. A message on the website states: “Due to the immediacy of emergency [contracting] opportunities, it is unlikely that opportunities dealing with the hurricane will be advertised through the FedBizOpps system.”

Nevertheless, the FedBizOpps “Hurricane Katrina Emergency Contracting Information” page suggests what terms to use (for example, “Florida,” “Hurricane Katrina,” and “disaster”) when searching the site for these types of contracting opportunities. Also included on this page are links to several federal agency and state websites. As recovery and reconstruction efforts continue, and as federal, state, and local governments are able to develop long-term plans for the affected area, it seems likely that, except for solicitations issued under other than full and open competition, solicitations related to reconstruction efforts will be posted on the FedBizOpps website. For example, a search of the FedBizOpps website in mid-September led to two hurricane recovery-related solicitations that had been issued by the U.S. Army Corps of Engineers.

GSA’s “Katrina Support” E-Mail Address. A business seeking consideration as a potential source of supplies, equipment, or services to support the hurricane recovery effort may e-mail GSA via Katrinasupport@gsa.gov, including the information below:

- company name and address;
- person to contact, including business and home telephone numbers, cell phone number, fax number, e-mail address, and company website address; and
- succinct description of supplies, services, or equipment the company offers.

GSA will forward this information to federal contracting officers in multiple agencies who are involved in the recovery effort. Providing the information, however, does not guarantee that GSA or any other federal agency will award a contract to the vendor.

GSA Supply Schedules. GSA has noted that contracting officers working on the recovery effort are using the following GSA schedules (and possibly others as well): GSA e-Library, GSA Advantage!, and GSA e-Buy. Some categories of items offered on the GSA Advantage! schedule are industrial pumps and compressors; building construction, support, maintenance, and repair services; structural building products; security and control equipment; and refuse disposal and treatment. By selecting the link “How to Get on Schedule” on the GSA website at http://www.gsa.gov, companies will find guidance

---


12 Ibid.


14 Schedules are lists of goods and services offered by vendors for purchase by all federal entities and other authorized users. GSA (and certain other agencies) establish and maintain various schedules. Schedules may also be referred to as “multiple award schedules” (MAS), meaning that the procuring agency (for example, GSA) awarded contracts to more than one vendor pursuant to a solicitation.
on how to get their products and services listed on the appropriate GSA schedule(s). Initial steps involve identifying applicable GSA-issued solicitations (accessible from the GSA website), and drafting and submitting a proposal or a bid in response to the appropriate solicitations.

**State and Local Governments.** Other contracting opportunities may be found on state and local government websites. Links to state emergency management agency websites may be found on the FedBizOpps “Hurricane Katrina Emergency Contracting Information” page, at [http://www.fedbizopps.gov/katrina.html]. Interested parties should visit the state websites to determine what contracting opportunities, if any, are available, and to learn about state government contracting procedures.

**U.S. Army Corps of Engineers (USACE).** USACE has placed Hurricane Katrina contracting information on its website, at [http://www.lrl.usace.army.mil/DisasterEquip/]. Links to subcontracting opportunities may be found at [http://www.lrl.usace.army.mil/DisasterEquip/contractor.htm]. Additionally, the website features a function where businesses interested in competing for federal contracts may register. While registering with USACE does not guarantee that a company will receive a contract, the site notes that “if a request exists for services or commodities that you provide, the USACE will make every attempt to solicit your information.”

**Preference for Local Firms and Individuals**

While there is no guarantee that, following a major disaster or emergency, recovery and reconstruction work will be awarded to businesses, organizations, and individuals affected by the disaster or incident, a provision of the Robert T. Stafford Disaster Relief and Emergency Assistance Act (P.L. 93-288; 42 U.S.C. §§ 5121-5206) directs that preference be given, “to the extent feasible and practicable,” to businesses and individuals from the affected areas.

**Conclusion**

Depending on the condition and needs of local cities in the affected area and the pace of recovery, the federal government’s contracting efforts might continue to include sole source contracting, in addition to full and open competition, for the foreseeable future. These factors also might continue to affect agencies’ use of FedBizOpps for some time. Monitoring several relevant federal government websites possibly could increase the chance of finding solicitations applicable to a particular company or industry.

---
