

Procurement Determination:
Competition Impracticable Authorization
A.A.C. R2-7-E303

SECTIONS I THROUGH III MUST BE COMPLETED BY THE REQUESTOR
USE ADDITIONAL PAGE AS NECESSARY

SECTION I - State Governmental Unit Request

1. State Governmental Unit

Arizona Department of Health Services (ADHS), Bureau of Epidemiology and Disease Control

2. Requestor

Delilah Gonzalez, Rachel Gersten

3. Email

delilah.gonzalez@azdhs.gov

4. Title

Sr. Procurement Specialist, Finance Manager

5. Telephone

480-604-5265, 623-986-1050

SECTION II - Background

6. Service(s)/Material(s)

Legal Services for Marijuana Prop 207

7. Supplier

Coppersmith Brockelman PLC.
supplier #IV0000045813

8. Contract ID

CTR053734

9. CI Type

- Modification pursuant to R2-7-E303(E) for a CI modification

10. Requesting Term

01/28/2026

11. Estimated Cost

\$500,000, new total: \$1,500,000

SECTION III - Justification

12. Rationale

- Compliance with A.R.S. §§ 41-2533, 41-2534, 41-2538, or 41-2578 is impracticable

13. Provide details of the procurement need, reason for the competition impracticable, and how the proposed procurement is advantageous to the State

The Arizona Medical Marijuana Act, which is codified in A.R.S. § Title 36, Chapter 28.1 legalizes the medical use of marijuana. Pursuant to A.R.S. Title 36, Chapter 28.1 the Arizona Department of Health Services ADHS is tasked with regulating the medical use of marijuana and is authorized to promulgate rules and implement a regulatory system for such activity, including the licensure of Non-Profit Medical Marijuana Dispensaries.

The Smart and Safe Arizona Act, which is codified in A.R.S. § Title 36, Chapter 28.2 (Responsible Use of Marijuana), legalizes marijuana use and possession for people twenty-one (21) years of age and over, was passed by Arizona voters through Proposition 207 and partially went into effect on November 30, 2020. Pursuant to A.R.S. § Title 36, Chapter 28.2 the ADHS is tasked with regulating the legal adult use of marijuana and is authorized.

Contract CTR053734 with Coppersmith Brockelman PLC was established for Legal Services related to litigation related to Prop 207 for Recreational Marijuana, in addition to assisting in the creation and implementation of a social equity ownership program and implementation of a grant program for qualified entities to assist with the expungement petition process, administration of the Justice.

Since there has been an increase in services, it is necessary to increase the allowable spend of the Contract to \$1,500,000. It is advantageous for the State to approved this Competition Impracticable (CI) so the Contractor can continue to represent and defend the Department, its Director, and any of its agents or assigns, in actions arising out of A.R.S. § Title 36, Chapter 28.1 and 28.2 and any rules adopted or that may be adopted pursuant thereto.

14. Describe the procurement process, strategy to promote competition, and determination that the price is fair and reasonable

Contract CTR053734 was awarded via approved Competition Impracticable (CI) dated January 29, 2021 with an estimated Not to Exceed amount of \$1,000,000. This supplemental CI is to add an additional \$500,000 to increase the Contract ' s Not to Exceed amount to \$1,500,000 due to an increase of legal counsel representation services. The Price is considered fair and reasonable compared to legal counsel representation fees of State Contract CTR048291 - Outside Legal Counsel of Arizona Department of Water Resources, which fees range from \$125 - 375.

15. I have conducted research and determined that no mandatory state contract is available for the service(s)/material(s)



16. Signature

**Delilah
Gonzalez**

Digitally signed by Delilah
Gonzalez
Date: 2023.03.08 17:25:54
-07'00'

17. Date of Request

3/8/2023

In accordance with the Procurement Rules, the Arizona Uniform Terms and Conditions must be made a part of all Contracts. If you will be required to sign a software licensing agreement or sign any other agreement containing terms and conditions, these will need additional review to ensure that the terms and conditions do not invalidate the Arizona Uniform Terms and Conditions. Approval of this request does not allow for agencies to exceed their dollar acquisition amount of delegated authority.

TO BE COMPLETED BY PROCUREMENT AUTHORITY

SECTION IV - Approval

18. Determination

- Request Authorized Pursuant to R2-7-E303

19. Approved Expiration Date

1/27/2026

20. Comments, conditions, or restrictions (as applicable)

ADHS will continue to evaluate the need for legal representation regarding prop 207 and continue to obtain attorney general guidance and direction. Pursuant to A.R.S. § 36-2854(h), notwithstanding section 41-192, the department may employ legal counsel and make an expenditure or incur an indebtedness for legal services for the purposes of: 1. Defending this chapter or rules adopted pursuant to this chapter and 2. Defending chapter 28.1 of this title or rules adopted pursuant to chapter 28.1 of this title.

21. Print Name

Gina Corwin

22. Title

Chief Procurement Officer

23. Signature

Gina
Corwin

Digitally signed
by Gina Corwin
Date: 2023.03.08
17:37:18 -07'00'

24. Date of Approval

3/8/2023

25. Use section as necessary

STATE GOVERNMENTAL UNIT NOTICE: *This is an official written determination in response to a procurement authorization request. A copy of the form shall be maintained by the State Governmental Unit and the State Procurement Office. Upon completion, Requestor shall forward the signed form to the Contract Owner. Contract Owner shall upload the signed approval version of this form in the eProcurement system. If anticipated expenditure is above State Governmental Unit's delegation, forward document to SPOCompliance@azdoa.gov.*