Protest and Legal Referral – Microunits for Recovery Residences (Opioid Settlement-Funded RFP No. 2025-01)



500 W 53rd Ave Anchorage, AK 99518

Mayor Suzanne LaFrance Municipality of Anchorage mayor@anchorageak.gov

Mike Robbins, Executive Director Anchorage Community Development Authority (ACDA) mrobbins@acda.net

Attorney General Treg R. Taylor State of Alaska Department of Law treg.taylor@alaska.gov

CC:

Municipal Attorney Blair Christensen Municipality of Anchorage lawdepartment@anchorageak.gov

From:

Zackary Gottshall
President, Cama'i Enterprises LLC
Service-Disabled Veteran-Owned Small Business

Phone: (907) 416-1702

Email: sales@camai-enterprises.com

Date: July 31, 2025

RE: PROTEST AND LEGAL REFERRAL – MICROUNITS FOR RECOVERY RESIDENCES (OPIOID SETTLEMENT-FUNDED RFP NO. 2025-01)

Dear Mayor LaFrance, Director Robbins, and Attorney General Taylor:

This letter serves as a formal protest, legal demand, and referral to the Alaska Attorney General's Office regarding the Municipality of Anchorage's procurement process for the *Microunits for Recovery Residences* project (RFP 2025-01). This solicitation, funded by opioid settlement dollars obtained through litigation by the State of Alaska, was executed in violation of Alaska law, Anchorage Municipal Code, and anti-discrimination protections, and has resulted in unlawful exclusion of my business—a Service-Disabled Veteran-Owned Small Business (SDVOSB) based in Alaska.

Factual and Legal Basis: The Municipality has publicly confirmed this project is funded with \$1.2 million in opioid settlement funds, which are controlled and governed by the State of Alaska and restricted to opioid remediation purposes.

During the mandatory site visit, I raised concerns with Thea Agnew Bemben, Special Assistant to Mayor LaFrance, regarding the RFP's omission of required scoring preferences for:

Alaska-based businesses





Protest and Legal Referral – Microunits for Recovery Residences (Opioid Settlement-Funded RFP No. 2025-01) (Continued)

- Veteran-owned and service-disabled veteran-owned businesses
- Economically disadvantaged enterprises

I was explicitly informed these concerns would not be addressed, despite clear statutory obligations. ACDA moved forward knowingly, resulting in a process that was not only unlawful but also discriminatory against businesses with protected statuses like mine.

State Authority Over Opioid Funds – Legal Basis: In 2022, the Alaska Legislature enacted AS 37.05.590, creating the Opioid Abatement Fund, which governs the management and use of all opioid-related settlement funds. These funds must be used exclusively for opioid remediation and are held in trust by the State of Alaska—not by individual municipalities—for the benefit of the public.

Further, AS 36.30.850(b)(29) requires that any expenditures of funds appropriated by the legislature, including opioid settlement funds passed to local governments or third-party agencies, must follow the Alaska Procurement Code (AS 36.30). That includes application of all bidder preferences under:

- AS 36.30.321(a): 5% Alaska bidder preference
- AS 36.30.321(f): 5% veteran-owned business preference (up to \$5,000)
- AS 36.30.321(d)–(e): Additional preferences for disability-owned or employment program

The Municipality of Anchorage and ACDA had a legal obligation to apply these preferences. Their failure to do so constitutes a direct violation of state law and fiduciary duty in handling these restricted funds.

Additional Violations of Alaska Statutes:

- AS 36.30.365: Allows cancellation and reissuance of defective solicitations
- AS 36.30.585: Requires suspension of award during a valid protest
- AS 44.23.020(b)(8): Empowers the Attorney General to enforce compliance by municipal subdivisions
- AS 22.10.020 / AS 09.50.010 / Rule 65 AKRCivP: Authorize judicial relief including injunctions and writs of mandamus
- AS 40.25.110–120: Public records obligations tied to transparency in evaluation and award

Violations of Anchorage Municipal Code (AMC): The procurement also violates multiple local laws, namely the following.

- AMC 7.20.010 (Purpose and Policy): Failed to ensure fair and equitable treatment of bidders
- AMC 7.20.020(A)(2): Ignored the Municipality's duty to support local and disadvantaged economic actors
- AMC 7.20.060(A): Competitive sealed proposal process was invalidated by omission of legally required evaluation factors
- AMC 7.60.030(B): The RFP structure discriminated against protected classes by omitting mandated preferences
- AMC 7.60.050: This letter serves as a formal violation report under this section, triggering a legal duty to investigate and take corrective action

Discriminatory Exclusion Based on Protected Status: As a Service-Disabled Veteran-Owned Small Business, I am protected under both state and municipal law. The Municipality's refusal to apply the legally mandated scoring preferences for veterans and Alaskans resulted in a materially discriminatory procurement process, excluding my company from full and fair consideration. The harm is both economic and legal.





Protest and Legal Referral – Microunits for Recovery Residences (Opioid Settlement-Funded RFP No. 2025-01) (Continued)

Legal Demands: I hereby demand the following immediate actions.

- 1. Suspend all award proceedings under RFP 2025-01 pending legal review
- 2. Disclose all evaluation scores, scoring rubrics, and inter-agency communications related to this procurement
- 3. Withdraw any current award decision and either:
 - a. Reissue the RFP with lawful preference scoring, or
 - b. Re-score existing proposals using preferences as required under AS 36.30.321
- 4. Disqualify any vendor improperly awarded due to illegal scoring criteria

Legal Remedies Reserved: If these actions are not taken within five (5) business days, I reserve the right to pursue the following.

- Formal administrative protest under AS 36.30.560–585
- Injunctive relief or mandamus under AS 22.10.020, AS 09.50.010, and Rule 65
- Declaratory judgment under AS 09.45.010 et seq.
- Public records request under AS 40.25.110
- Formal ethics and procurement complaints to the Department of Law and any relevant enforcement body

Final Notice: The Municipality and ACDA received timely notice and had full opportunity to correct this process. Their failure to comply with clear statutory obligations—especially involving public remediation funds intended to serve Alaskans—has legal, political, and reputational consequences. Proceeding with this award as currently structured will be challenged immediately.

Please respond in writing by [Insert Deadline Date – five business days from mailing]. Inaction will trigger escalation without further notice.

Sincerely,

Zackary Gottshall

President, Cama'i Enterprises LLC

Service-Disabled Veteran-Owned Small Business

(907) 416-1702

sales@camai-enterprises.com



