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In the Procurement Appeal of Data Management Resources - OPA-PA-24-004

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Mon, Nov 25, 2024 at 4:53 PM

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Hafa Adai, Jerrick.

Please see enclosed Data Management Resource LLC's Opposition to Port Authority of Guam's Motion for Dismiss for filing in the above-referenced matter. If you have any questions, please contact our office at (671) 648-9001. Have a nice day.

Si Yu'os Ma'ase, *Tatíana Anderson* Office Manager

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10	IN TH	E APPEAL OF:) DOCKET NO. OPA-PA-24-004	
11	DATA	MANAGEMENT RESOURCES, LLC	
12		Appellant,) OPPOSITION TO AND) PORT AUTHORITY OF GUAM'S	
13	PORT	AUTHORITY OF GUAM,) MOTION TO DISMISS	
14		Purchasing Agency.	
15		/	
16 17			
17	I.	INTRODUCTION	
10	II.	Appellant, DATA MANAGEMENT RESOURCES, LLC. (hereinafter "DMR" or	
20		"Appellant") by and through its attorney, Jacqueline Taitano Terlaje of Law Office of	
20		Jacqueline Taitano Terlaje, PC., hereby submits its opposition to purchasing agency's, Port	
22		Authority of Guam (hereinafter "PAG"), motion to dismiss. This opposition is based on the	
23		following points and authorities and such oral and documentary evidence as may be adduced at	
24		any hearing on the matters. RELEVANT PROCEDURAL AND FACTUAL BACKGROUND	
25	PAG announced the Invitation for Bid No. IFB-PAG-008-024 Desktop Computer Systems with		
26		ries (hereinafter "Invitation") in May 2024. Procurement Record ("PR"), Tab 1. The	
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announcement stated submissions were due by June 12, 2024. *Id.* There were at least four (4) amendments made to the Invitation. PR, Tab 4. Four (4) bids were received by PAG in response to the Invitation, including Appellant's proposal and Pacific Data Systems's (hereinafter "PDS") proposal. PR, Tab, 12.

PAG held the bid opening on June 12, 2024, but did not evaluate the bids at that time. PAG determined PDS's bid complied with the requirements of the Invitation and its bid was responsive on June 19, 2024. PR, Tab 13. PAG determined PDS was the lowest responsive bidder on June 25, 2024. PR, Tab 16. DMR received notice of the Bid Status on June 28, 2024. PR, Tab 15. The Bid Status noted PDS was recommended for the award and DMR's proposal was rejected. *Id.* PAG issued the Notice of Award on June 28, 2024. PR, Tab 17. DMR acknowledged the Bid Status on July 17, 2024. PAG did not provide DMR with the Notice of Award. DMR timely filed its Protest on June 28, 2024, and raised the issue that PDS was a non-responsive bidder for not providing required literature with its proposal. PR, Tab 20.

III. A PARTY BECOMES AGGRIEVED WHEN THEY ARE ENTITLED TO A REMEDY

PAG first argues the Office of Public Accountability (hereinafter "OPA") has no jurisdiction over this matter because it argues that DMR's protest was filed untimely. *See* Motion to Dismiss, filed November 18, 2024. Under Guam law, a procurement protest is to be "submitted in writing within fourteen (14) days after such aggrieved person knows or should know of the facts giving rise" to the basis for the protest. 5 GCA § 5425(a). The Supreme Court of Guam has held that a party becomes aggrieved when the party becomes entitled to a remedy. <u>DFS Guam L.P. v. A.B. Won Pat Int'l Airport Auth., Guam</u>, 2020 Guam 20, ¶ 84 (Guam Dec. 7, 2020) (internal citations omitted). The timeliness of a protest must be analyzed in "in relation to the underlying facts". *Id.* at ¶ 78 (citing *Guam Imaging*, 2004 Guam 15 ¶ 24). Further, this analysis must be viewed in a light most favorable to the non-moving party. *Id.* (internal citations omitted). *Opposition to Mation to Dismiss In the Appeal of: Data Management Resources, LLC and Port Authority of Guam OPA-PA-24-004*

Accordingly, a party is aggrieved when (1) "they become aware of a violation of one of the procurement law's substantive provisions" or (2) violation of "the terms" of the purchasing agency's terms announced. Id. at 84.

In this instant matter, it is undisputed that PAG did not evaluate the bids at the bid opening on June 12, 2024. It is further undisputed that when PAG read out the bids on June 12, 2024, it just read the forms as submitted and did determine compliance of each bid. It is further undisputed the bids were evaluated sometime after June 12, 2024. PR, Tab 16. PAG states the evaluations were conducted on June 28, 2024. See Opposition to Motion for Determination of Materiality of Missing Documents from Procurement Record, filed on November 25, 2024. DMR only becomes aware of the fact the evaluations were completed on June 28, 2024 when the notice of award to PDS was announced. See Comments on Agency Report, filed October 21, 2024.

DMR does not become entitled to a remedy until the evaluations were completed. This date is June 28, 2024, by PAG's own admission in its filings. Thus, the fourteenth day for DMR to file a protest was July 12, 2024. It is undisputed that DMR filed its protest on July 12, 2024. Therefore, DMR's protest was timely and the Office of Public Accountability has jurisdiction over the appeal of PAG's denial of DMR's protest.

IV. AN AGGRIEVED BIDDER HAS A RIGHT TO FILE A PROTEST WITH THE PURCHASING AGENCY

PAG next argues that DMR failed to exhaust all administrative remedies before filing its protest. See Motion to Dismiss, filed November 18, 2024. PAG's Id. at 8. PAG argues DMR fails to give a reason why it did not contact PAG "through an email, a phone call, or in person" to raise its concerns "during the bid evaluations, and before award". Id. Under Guam law, specifically states:

Right to Protest. Any actual or prospective bidder, offeror, or contractor who may be aggrieved in connection with the method of source selection, solicitation or award of a contract, may protest to the Chief Procurement Officer, the Director of Public Works or the head of a purchasing agency. The protest shall be submitted in writing within fourteen (14) days after such aggrieved person knows or should know of the facts giving rise thereto.

5 GCA 5425(a). Neither Guam's procurement statute nor any holding by the Supreme Court of Guam interpreting the statute impose a step prior to a protest being filed with a purchasing agency. Rather, it has held that "an administrative remedy has been provided by statute, this remedy must be exhausted before the courts will act." DFS Guam L.P. v. A.B. Won Pat Int'l Airport Auth., Guam, 2020 Guam 20, ¶ 61 (Guam Dec. 7, 2020)(citing Holmes, 1998 Guam 8 ¶ 9). The statute clearly states the pre-litigation remedy is the right to file a protest. PAG is asking the OPA to impose a step that is against the codified rights as stated in the procurement laws of Guam. Therefore, DMR properly invoked its statutory right to protest under the Guam law and properly appealed the denial of the protest.

V.

AN AGGRIEVED BIDDER DOES NOT HAVE TO BE THE NEXT LOWEST BIDDER TO PROTEST

Lastly, PAG argues DMR does not have standing to protest due to (1) in the PAG's opinion DMR did not allege a relief that can be granted and (2) that DMR does not have standing to protest since it was not the next lowest bidder. The standing issue will be addressed first.

As aforementioned, Guam law specifically states who qualifies to protest. Guam law states:

Any actual or prospective bidder, offeror, or contractor who may be aggrieved in connection with the method of source selection, solicitation or award of a contract, may protest to the Chief Procurement Officer, the Director of Public Works or the head of a purchasing agency. The protest shall be submitted in writing within fourteen (14) days after such aggrieved person knows or should know of the facts giving rise thereto.

5 GCA 5425(a). PAG's argument is in direct conflict with Guam law that "any actual or prospective bidder, offeror, or contractor who may be aggrieved in connection with the method of source selection, solicitation or award of a contract, may protest." Id. Neither Guam's statute nor any holding of the Supreme Court of Guam has defined or interpreted this to mean that it must be the next lowest bidder to lodge a protest. PAG tries to argue that the protestor must be a "direct economic interest would be affected".

The Supreme Court of Guam has held time and time again that unless a word is defined by Legislature, it is given its plain meaning. The statute does not define "aggrieved". Aggrieved is defined as

"having legal rights that are adversely affected; having been harmed by an infringement of legal rights". Black's Law Dictionary, Ninth Addition. PAG fails to understand that the issue in this matter is that it failed to properly apply the procurement process to the bids it received and that application is the right DMR is entitled to. Therefore, DMR is an aggrieved party.

Lastly, DMR will address PAG's argument that it failed to state a relief that can be granted. PAG acknowledges one of the reliefs that DMR seeks is cancellation of the award. *See* Opposition to Motion for Determination of Materiality of Missing Documents from Procurement Record, filed on November 25, 2024, at 8 to 13. PAG attempts to argue that this a post-award and cancellation of the contract is not the proper relief. *Id.* However, PAG argument is in direct contravention of (1) Guam's law and (2) the Supreme Court of Guam's holding.

PAG correctly cites that the pre-award remedy under Guam law is to cancel the contract. However, it attempts to argue that this remedy is not proper because PDS was already awarded the contract. PAG seems to not understand the law states "cancel the contract". The Procurement record is devoid of the contract, a draft of the contract, or any purchase order to PDS. *See* PR, Tab 19 and Motion for Determination of Materiality of Missing Documents from the Procurement Record, filed November 18, 2024. PAG does not deny this in their Opposition to the Motion for Determination of Materiality of Missing Document Record. Opposition to the Motion for Determination of Materiality of Missing Document Record, filed November 25, 2024. The Procurement Record fails to establish the items were already purchased. Therefore, the correct remedy is to cancel the contract as DMR requests.

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VI. CONCLUSION

PAG'S motion is based on direct contradiction of Guam's statutory law and the holdings of the Supreme Court of Guam and should be denied. Each of PAG's arguments are addressed above and summarized below.

First, PAG argues that the protest was untimely and the OPA does not have jurisdiction over the appeal of the denial of the protest. Under Guam law, a procurement protest is to be "submitted in writing within fourteen (14) days after such aggrieved person knows or should know of the facts giving rise" to the basis for the protest. 5 GCA § 5425(a). The Supreme Court of Guam has held that a party becomes aggrieved when the party becomes entitled to a remedy. DFS Guam L.P. v. A.B. Won Pat Int'l Airport Auth., Guam, 2020 Guam 20, ¶ 84 (Guam Dec. 7, 2020)(internal citations omitted). A party is aggrieved when it has awareness of a violation of Guam's procurement law's substantive provisions or the violation of the purchasing agency's terms. Id. at 84. Whether a protest is filed timely is to be analyzed in "in relation to the underlying facts" and is viewed in the light most favorable to the non-moving party. Id. at ¶ 78 (citing Guam Imaging, 2004 Guam 15 ¶ 24).

However, PAG does not dispute that it did not evaluate the bids at the bid opening on June 12, 2024 and that the bids were evaluated sometime after that date. PR, Tab 16. PAG admits the evaluations were conducted on June 28, 2024. See Opposition to Motion for Determination of Materiality of Missing Documents from Procurement Record, filed on November 25, 2024. DMR does not become entitled to a remedy until the evaluations were completed on June 28, 2024. Thus, the fourteenth day for DMR to file a protest was July 12, 2024. Therefore, DMR's protest was timely and the OPA has jurisdiction over the appeal.

Second, PAG argues that DMR failed to exhaust all administrative remedies before filing its protest. Under Guam law, the administrative remedy is to file a protest and it does not require the aggrieved party to email, call, or otherwise engage with the agency prior to filing a protest. 5 GCA 5425(a). Therefore, DMR properly invoked its statutory right to protest under Guam law and properly appealed the denial of the protest.

Lastly, PAG argues DMR does not have standing to protest due to (1) in the PAG's opinion DMR did not allege a relief that can be granted and (2) that DMR does not have standing to protest since it was not the next lowest bidder. Guam law states that "**any** actual or prospective bidder, offeror, or contractor who may be aggrieved in connection with the method of source selection, solicitation or award of a contract, may protest." 5 GCA 5425(a). Neither Guam's statute nor any holding of the Supreme Court of Guam has defined or interpreted this to mean that it must be the next lowest bidder. Rather, it is "having legal rights that are adversely affected; having been harmed by an infringement of legal rights". Black's Law Dictionary, Ninth Addition. The issue in this matter is that PAG failed to properly apply the procurement process to the bids it received and that is the right DMR is entitled to. Therefore, it is an aggrieved party.

Further, PAG's argues that DMR failed to state a relief that can be granted. PAG acknowledges one of the reliefs that DMR seeks is cancellation of the award, but argues cancellation of the contract is not the proper relief. *See* Opposition to Motion for Determination of Materiality of Missing Documents from Procurement Record, filed on November 25, 2024, at 8 to 13. PAG argument is again in direct contravention of (1) Guam's law and (2) the Supreme Court of Guam's holding. The Procurement Record is devoid of the final contract, a draft of the contract, or any Purchase Order to PDS. *See* PR, Tab 19 and Motion for Determination of Materiality of Missing Documents 18, 2024. Thus, the correct remedy is to cancel the contract as DMR requested.

Therefore, PAG's motion should be denied based on the above and such oral and documentary evidence as may be adduced at any hearing on the matters

1	Respectfully submitted this 25 th day of November, 2024.
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3	LAW OFFICE OF
4	JACQUELINE TAITANO TERLAJE, P.C.
5	By: /s/
6	JACQUELINE TAITANO TERLAJE Attorney for Appellant, <i>Data Management Resources</i> , LLC
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