

Jerrick Hernandez <jhernandez@guamopa.com>

In the Appeal of JJ Global Services re: Appeal Case No. OPA-PA-25-003

Abi T. Brennan <atbrennan@gdoe.net>

Tue, Apr 1, 2025 at 10:52 AM

To: Jerrick Hernandez <jhernandez@guamopa.com>, McDonald Law Office <guam@mcdonald.law> Cc: Legal Admin <legal-admin@gdoe.net>, "James L.G. Stake" <jlgstake@gdoe.net>

Hafa Adai All,

Please see attached *GDOE <u>Agency Report</u>, <u>Agency Statement</u>, and <u>Declaration of Mark Crisostomo Regarding</u> <u>Emergency Procurement for Grounds Maintenance Services</u> re: In the Appeal of JJ Global Services; OPA-PA-25-003. Kindly confirm receipt.*

Thank you and stay safe.

Respectfully,

Abi T. Brennan Office of the Superintendent, Legal Division Guam Department of Education 501 Mariner Ave., Barrigada, Guam 96913 Contact No.: (671) 929.4444

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3 attachments

Declaration of M. Crisostomo re Emergency Procurement dtd March 17, 2025 re Appeal Case No. OPA-PA-25-003.pdf 67K

Agency Report re Appeal Case No. OPA-PA-25-003.pdf

Agency Statement re Appeal Case No. OPA-PA-25-003.pdf 338K

| 1 | GUAM DEPARTMENT OF EDUCATION | | |
|---------|---|-------------------------------|--|
| 2 | James L.G. Stake, Legal Counsel 501 Mariner Avenue | | |
| 3 | Barrigada, Guam 96913 Telephone: (671) 300-1537 E mail: lagal admin@adaa not | | |
| 4 5 | E-mail: legal-admin@gdoe.net Attorney for Guam Department of Education | | |
| 5 | OFFICE OF THE PUBLIC AUDITOR | | |
| 6 | PROCUREMENT APPEALS | | |
| 7 | In the Appeal of | APPEAL CASE NO. OPA-PA-25-003 | |
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| 9 10 | JJ Global Services, | AGENCY STATEMENT | |
| 11 | Appellant. | | |
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| 14 | COMES NOW, the Guam Department of Education ("GDOE"), by and through its Legal | | |
| 15 | Counsel James L.G. Stake, and files its Agency Statement pursuant to Title 2 of the Guam | | |
| 16 | Administrative Rules and Regulations ("GAR") Division ("Div.") 4 section ("§") 12105(g), in | | |
| 17 | response to the appeal of JJ Global Services (hereafter referred to as "JJ Global") of GDOE | | |
| 18 | Invitation for Bid ("IFB") 002-2025, for Grounds Maintenance Services for Various GDOE | | |
| 19 | Public Schools and Support Facilities. | | |
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| 21 | I. <u>RELEVANT BACKGROUND</u> | | |
| 22 | On December 18, 2024, GDOE published IFB 002-2025 for grounds maintenance | | |
| 23 | services. On January 7, 2025, IFB 002-2025 was set for public bid opening. On January 6 and 7, | | |
| 24 | 2025, JJ Global issued protests regarding IFB 002-2025. JJ Global's protests made numerous | | |
| 25 | allegations regarding the specifications well after the fourteen (14) day allowable period, and | | |
| 26 | included numerous allegations regarding a distinct and separate IFB from IFB 002-2025. JJ | | |
| 27 | Global alleges that the twenty (20) days for bid submission from publication was insufficient and | | |
| 28 | Pa | ge 1 of 7 | |

not enough time for JJ Global to provide a bid, despite the legal requirement being fifteen (15)
days. 2 GAR Div. 4 § 3109(d). IFB 002-2025 is in an automatic stay from the protest and shall
not proceed further prior to final resolution of the protest. Title 5 of the Guam Code Annotated
("GCA") § 5425(g).

5 Due to the automatic stay, GDOE issued an emergency procurement on January 24, 2025, 6 at approximately 3:30pm. The emergency procurement is for ninety (90) days and includes the 7 same amount of regions as IFB 002-2025, specifically thirty-five (35) schools and two (2) GDOE 8 facilities. See Declaration of GDOE Supervisor II, Mark Crisostomo (March 27, 2025). On 9 January 28, 2025, at approximately 9:00am, within less than three (3) business days, JJ Global 10 successfully provided a quote for the emergency procurement for all thirty-five (35) schools and 11 two (2) GDOE facilities and was awarded thirty-three (33) schools and two (2) GDOE facilities. 12 Id. JJ Global shall earn approximately \$139,852.29 from the emergency procurement. Id. As the 13 appeal is just beginning and the ninety (90) days for the emergency procurement are almost to an 14 end, GDOE with limited options will likely have to seek another emergency procurement in order 15 to have grounds maintenance services. Id. GDOE's agency statement in response to JJ Global's 16 appeal herein follows.

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II. JJ GLOBAL FAILS TO PROVIDE ANY LEGAL AUTHORITY FOR THE VAGUE CONCLUSORY CLAIMS THAT ARE UNTIMELY AND NOT PROPERLY BEFORE THE OFFICE OF THE PUBLIC AUDITOR ("OPA").

JJ Global's appeal fails to refute, address, or even acknowledge any of GDOE's responses to its original protest. *See* Procurement Appeal, In the Appeal of JJ Global Services, OPA-PA-025-003 (Mar. 17, 2025). Rather, the appeal is a near photocopy of the vague conclusory protest devoid of any procurement law violations or even references, and demonstrates JJ Global's predetermined decision to draw out this legal battle to its benefit. JJ Global's appeal should be denied and dismissed because its allegations are: (1) untimely; (2) vague, without any

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A. JJ GLOBAL'S ALLEGATIONS ARE UNTIMELY.

Regarding the right to protest, Title 5 GCA § 5425(a) states in relevant part that the protest shall be in writing within fourteen (14) days after such aggrieved person knows or should know of the facts giving rise thereto. See 5 GCA § 5425(a).

information, and thus fail to state a claim upon which a relief may be granted; and (3) fail to

exhaust the necessary administrative remedies, are irrelevant, and not properly before the OPA.

9 In this case, IFB 002-2025, its specifications, and bid receiving deadlines were published 10 and distributed on December 18, 2024. Fourteen (14) days after December 18, 2024, is January 11 2, 2025, because of the New Year Government of Guam holiday.

On January 6 and 7, 2025 (or 19 and 20 calendar days after Dec. 18, 2024), JJ Global 13 protested the specifications and published information. Pursuant to Guam law, JJ Global's 14 arguments regarding specifications, the inclusion of regions within specifications, and the 15 16 deadline for bid submission are statutorily barred because they are untimely. *Id.*

Notwithstanding JJ Global's protest regarding the published specifications and deadline for bid submissions for IFB 002-2025 being untimely, JJ Global failed to provide any legal 19 authority for a vendor to dictate specifications or deadlines for a procurement. That is because it 20 is the purchasing agencies that shall prepare and issue specifications for supplies and services required by Guam, not a vendor. See 5 GCA § 5262(a). For these reasons, JJ Global's untimely arguments are meritless and should be dismissed.

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B. JJ GLOBAL'S ALLEGATIONS ARE UNREASONABLY VAGUE, FAIL TO PROVIDE ANY INFORMATION AT ALL, AND THUS FAIL TO STATE A CLAIM UPON WHICH ANY RELIEF MAY BE GRANTED.

Under Rule 12(b)(6) of the Guam Rules of Civil Procedure ("GRCP"), a dismissal is not proper unless "it appears beyond doubt that the plaintiff can prove no set of facts in support of his claim which would entitle him to relief." *See First Hawaii Bank v. Manley*, 2007 Guam $2 \P 9$.

JJ Global alleges that GDOE failed to follow its own established procurement procedures, resulting in an arbitrary and capricious decision making process, and that the lack of transparency and adherence to procedural norms undermines the integrity of the procurement process and violates the principles of fair competition. *See* Procurement Appeal, In the Appeal of JJ Global Services, OPA-PA-025-003, p. 6 (Mar. 17, 2025).

Here, there are zero facts in support of this claim, there are no cited procurement procedures, and nothing to support this conclusory statement. Rather, it is beyond doubt that the Plaintiff can prove no set of facts in this claim because Plaintiff JJ Global has provided nothing, and thus JJ Global fails to state a claim upon which a relief may be granted and this claim should be dismissed. *See First Hawaii Bank v. Manley*, 2007 Guam 2 ¶ 9; *see also* GRCP Rule 12(b)(6).

JJ Global also alleges ambiguity and misrepresentation because the "amendments issued
 by GDOE during the procurement process were misleading and ambiguous, causing confusion
 among bidders." *See* Procurement Appeal, In the Appeal of JJ Global Services, OPA-PA-025 003, p. 7 (Mar. 17, 2025).

JJ Global provides no facts in this allegation to support its own conclusory statement.
Essentially the allegation is that GDOE is ambiguous and misrepresenting because GDOE is
ambiguous and misrepresenting. GDOE submits it is beyond doubt that JJ Global can prove no
set of facts in this claim because there are no facts or citations to any violation of rules or law and

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1 for that reason this claim should be dismissed. See First Hawaii Bank v. Manley, 2007 Guam 2 ¶ 2 9; see also GRCP Rule 12(b)(6). 3 Similarly, JJ Global alleges GDOE made misleading amendments because GDOE did not 4 adequately clarify material changes through the amendments, resulting in a lack of understanding 5 and misinterpretation of the procurement requirements. See Procurement Appeal, In the Appeal 6 of JJ Global Services, OPA-PA-025-003, p. 8 (Mar. 17, 2025). 7 8 JJ Global does not specify any facts that were misleading or that needed clarification, any 9 information regarding the alleged lack of understanding, and anything at all regarding an alleged 10 misinterpretation of the unnamed procurement requirements. It is beyond a doubt that JJ Global 11 can prove no set of facts for this allegation, because the allegation itself provides nothing. For 12 these reasons, GDOE moves that these allegations be dismissed for failure to state a claim upon 13 which relief may be granted. See First Hawaii Bank v. Manley, 2007 Guam 2 ¶ 9; see also GRCP 14 Rule 12(b)(6). 15 16 17 C. JJ GLOBAL FAILED TO EXHAUST ITS ADMINISTRATIVE REMEDIES **REGARDING ITS UNFOUNDED ALLEGATIONS OF CONTRACT AND** 18 BREACH OF CONTRACT CONTROVERSIES OF A SEPARATE AND DISTINCT IFB FROM IFB 002-2025. 19 20 The issue before the OPA is that this is an appeal of a protest for IFB 002-2025, and yet JJ 21 Global has shoved a litany of allegations against GDOE for a separate and distinct IFB regarding 22 contract and breach of contract controversies. JJ Global fails to provide any legal authority that 23 allows for the freezing of one (1) IFB (or IFB 002-2025) by and through a protest when the 24 complaint is about a separate and distinct IFB (or IFB 007-2023). Guam law provides an entirely 25 separate mechanism for contract and breach of contract controversies. 5 GCA § 5427. 26 Procurement rules and regulations further provide the procedure for allegations regarding claims 27 28 Page 5 of 7 In the Appeal of JJ Global Services

of contract and breach of contract controversies. See generally Title 2 GAR Div. 4 Chapter 9. The Supreme Court of Guam has held to exhaust administrative remedies, a person must follow the rules governing filing and prosecution of a claim. See DFS Guam L.P. v. A.B. Won Pat International Airport Authority..., 2020 Guam 20 \P 66. Administrative exhaustion is required with respect to each and every claim under the Procurement Code that a plaintiff seeks to raise in the Superior Court under section 5480, and that failure to properly protest and exhaust such remedies deprives the Superior Court of jurisdiction over individual claims that were not administratively exhausted. Id. at \P 60.

In this case, JJ Global improperly inserted numerous allegations¹ regarding an IFB 007-2023 within a protest and appeal of IFB 002-2025, effectively holding IFB 002-2025 hostage. Guam law does not allow this. *Id.* JJ Global is required to exhaust its administrative remedies regarding a contract and breach of contract controversy. *Id.* JJ Global did not exhaust its administrative remedies regarding the alleged contract and breach of contract controversies, and for these reasons, these allegations regarding a separate and distinct issue and IFB are not properly before the OPA and should be dismissed². *Id.*

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¹ GDOE objects to and denies all allegations regarding the separate and distinct IFB 007-2023 and all related contract controversies.

² JJ Global's protest and appeal of IFB 002-2025 are clearly to monopolize the ground maintenance 21 services for GDOE and manipulate the duration of the procurement stay. The facts show JJ Global greatly benefits by prolonging, for as long as possible, a protest and appeal of the recently opened IFB 002-2025. 22 First, IFB 002-2025 is only in its infancy. Bids have not been opened, JJ Global's bid status is unknown, or if JJ Global is actually the majority winner of IFB 002-2025. It is certain that the protest and appeal act 23 as a placeholder for JJ Global. Second, JJ Global alleges that 20 days were inadequate to provide a bid for IFB 002-2025 and yet JJ Global provided a quote and was awarded for the exact same amount of regions 24 within three (3) business days. See Declaration of GDOE Supervisor II, Mark Crisostomo (March 27, 25 2025). JJ Global's arguments and actions clearly contradict each other. Third and finally, JJ Global will earn \$139,852.29 for the 90 emergency procurement. These critical facts are offered for additional 26 consideration for the timing and content of the appeal for IFB 002-2025.

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| 1 | HI CONCLUS | ION | |
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| 2 | III. <u>CONCLUS</u> | ion. | |
| 3 | In conclusion and based on the above, GDOE respectfully requests the appeal be denied | | |
| 4 | and dismissed in its | entirety. | |
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| 6 | Dated: | April 1, 2025. | |
| 7 | | | Respectfully submitted, |
| 8 | | | GUAM DEPARTMENT OF EDUCATION |
| 9 | | | By: Jenn J. L. Hat |
| 10 11 | | | JAMES L.G. STAKE Legal Counsel |
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| | In the Appeal of JJ Glob Appeal Case No. OPA-F GDOE Agency Statement | PA-25-003 | |