

September 22, 2009

To the Office of the Public Auditor
Doris Flores Brooks, CPA, CGFM
Public Auditor

Subject: Procurement Appeal
OPA-PA-09-003

ORIGINAL

It was not one, two or three but nine times in GPA Purchase Orders that GPA have rejected my request for delivery extension even I have reasonable cause as specified in the General Terms and Conditions of Bid & Award Item #40 which require a letter from the supplier about the cause of delay. GPE have conformed with all the specified manufacturers in the Purchase Orders. Any vendors that got the order will be in the same circumstances. Section 6101 of Chapter 6 Division 4 of 2 GAR pertains to Excuse for Non Performance or Delayed Performance stipulate Acts of God as number one in the list of excuses which is broad and also validate my request for extension. Nevertheless, the Notice of Default was not carried out therefore it lacks integrity which is one of the factor in administering the procurement system as stipulated in Section 5001 Chapter 5 of Title 5 GCA. Out of that nine GPA Purchase Orders that GPA rejected for delivery extension, they changed their determination on one Purchase Order 12132 OP after I sent them a letter of cancellation ensuing to a delivery extension. Please see exhibit J which displayed the procurement department not acting in good faith contrary to Section 5003 of 5 GCA Requirement of Good Faith.

If only GPA granted my company a delivery extension then I don't have a case. I also found GPA procurement violating item number 11 of General Terms & Condition of Bid & Award when they deposited GPE's Bid Bond Check instead of holding it in trust. Please see exhibit B. It is a serious violation which is a criminal act. It is not my intention to pursue that case or to hurt GPA employees. As a rate payer I just want them to have a smooth sailing in their future administration of contracts. There's just a broken system in the department that the people in-charge are perpetuating. GPE's protest is legitimate. It is not a claim of money owed to or by the government. It is GPE, Inc.'s money that GPA illegally deducted, therefore reimbursing GPE is valid. Your office is mandated by law to promote integrity in the procurement process and the purposes of 5GCA. My protest is quite small in amount but it has a huge negative impact to the people of Guam. Since the misadministration of contracts will discourage vendors to do business with GPA. The mark-up will also be higher since the current vendors knew the conduct of operation, therefore they have to add additional mark-up to compensate the loss on liquidated damage. I also would like to add that they don't pay interest on past due accounts contrary to the stipulation of the law and contract.

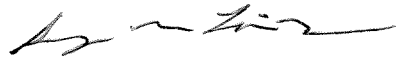
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SEP 21 2009

TIME: 1:35pm
BY: Kish
FILE No. OPA-PA 09-003

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I strongly believed that I have articulated my cause justified by stipulation of facts and statutes that would enable your office to make a favorable determination on my side that would pave the way for administration of the territorial contracts that is consistent with the laws, rules and regulations & terms and conditions.



Sedfrey M. Linsangan
President- GPE, Inc.