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CASE NO: OPA-PA-18-001

AGENCY HEARING BRIEF

# FISHER & ASSOCIATES

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IN THE APPEAL OF:

JMI EDISON,

Appellant.

**COMES NOW** the Guam Memorial Hospital Authority, by and through counsel, Fisher & Associates, and submits its Hearing Brief pursuant to the Office of Public Accountability's Order of February 8, 2018.

BEFORE THE OFFICE OF PUBLIC ACCOUNTABILITY

HAGÅTÑA, GUAM

#### STIPULATED FACTS

GMHA submits the following stipulations based on the record:

1. On July 19, 2017 the Guam Memorial Hospital Authority (hereinafter "GMHA") solicited bids for "Purchase, Installation, and Training of New CT Scanners", GMHA IFB 013-2017. The procurement called for the purchase of one 64 slice state of the art Computer Tomography (CT) system (to evaluate the entire body such as lungs, heart, brain, extremities) and one 64 slice fully cardiac configured state of the art system (to

evaluate the coronaries and other structures non-invasively).

- Appellant JMI-Edison (hereinafter "JMI-Edison") submitted a response to the solicitation, along with three other bidders. JMI-Edison submitted a bid price of \$1,224,040.00.
- GMHA sent JMI-Edison two separate requests for clarification regarding the offered
  machines' technical specifications for acquired 64-slice and detection, and minimum
  slice thickness of .625mm at output.
- 4. JMI-Edison subsequently responded to the requests.
- 5. On December 20, 2017, GMHA informed JMI-Edison that it was not the lowest responsible, responsive bidder and its bid was rejected.
- JMI-Edison protested the determination which was rejected by GMHA on December
   28, 2017. GMHA's response was received by JMI-Edison on January 2, 2018.

#### **ISSUES PRESENTED**

1. Whether Appellant JMI-Edison was the Lowest Responsible and Responsive Bidder in this Procurement

Guam's procurement law provides that a bid packet can be rejected when: "(ii) the bid is not responsive, that is, it does not conform in all material respects to the Invitation for Bids," or (iii) the supply, service, or construction item offered in the bid is unacceptable by reason of its failure to meet the requirements of the specifications." 2 GAR, Div. 4, §§ 3115(e)(3)(ii)-(iii).

JMI-Edison stands upon its bid and states that it intended to offer machines that would produce 64-slice acquisition at slice thickness of .625 mm. JMI-Edison admits that "the CT systems offered by JMI were indeed ...64 reconstructed slice machines." *Appeal at 3*. JMI-

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Edison attempts to mask the reality that a 64 reconstructed slice machine does not conform with bid specifications for a true 64 acquired slice image at the required thickness of .625 mm in the first output. A true 64 slice acquisition should be possible with one 360-degree rotation, without the necessity of reconstructing an image to conform to 64 slice acquisition. Further, the JMI-Edison's bid is not for a true 64 slice acquisition machine which can at some point be upgraded to produce a higher resolution image, since it is a lower base machine that has already been or will need to be upgraded to provide 64 slices. JMI-Edison is non-responsive and for this reason (and others) not the lowest responsive, responsible bidder.

### ANTICIPATED WITNESSES

GMHA may call any or all of the following witnesses at the Hearing:

- 1. Mrs. Jean Grape Ko, JMI-Edision. Mrs. Ko will testify, inter alia, as to JMI-Edision's intent in submitting its bid and concerning its potential performance under the procurement.
- 2. Mrs. Dolores F. Pangelinan, GMHA. Mrs. Pangelinan will testify, inter alia, as to the Agency's actions in this procurement.
- 3. Mr. PeterJohn Camacho, GMHA. Mr. Camacho will testify, inter alia, as to the Agency's actions in this procurement.
- 4. Dr. Miran Rabati, GMHA, will testify, inter alia, as to the requirements of performance for the equipment and services procured.
- 5. Dr. Dr. Senthil Palaniappun, GMHA, will testify, inter alia, as to the requirements of performance for the equipment and services procured.
- 6. Dr. Nicole Dhanraj, GMHA, will testify, inter alia, as to the requirements of performance for the equipment and services procured.

1	7.	Dr. Tuan Nguyen, GMHA, will testify, inter alia, as to the requirements of				
2		performance for the equipment and services procured.				
3	8.	Dr. Kozue Shimabukuro, GMHA, will testify, inter alia, as to the requirements of				
4		performance for the equipment and services procured.				
5	9.	Any witness called by Interested Parties in this Appeal.				
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7		PROPOSED EXHIBITS				
8	All exhibits which may be used by Agency have been submitted in either the Agency Report,					
9	9 the Procurement Record, or are otherwise part of the record.					
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11		FISHER & ASSOCIATES				
12		PISHER & ASSOCIATES				
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14		Rayhel Taimanao-Ayuyu, Esq. For Guam Memorial Hospital Authority				
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