

Jerrick Hernandez < jhernandez@guamopa.com>

[eFile] In the Appeal of JJ Global Services - Appeal Case No. OPA-PA-21-013

Service LOVW <service@vlwilliamslaw.com>

Mon, Nov 29, 2021 at 4:31 PM

To: jhernandez@guamopa.com

Cc: Rebecca Wrightson <rw@cmlaw.us>, Anissa Senior <as@cmlaw.us>, Vanessa Williams <vlw@vlwilliamslaw.com>, Lea Mara <lm@vlwilliamslaw.com>, Darlene Balagot <db@vlwilliamslaw.com>

Dear Mr. Hernandez,

Please see the attached documents for filing in the above-referenced matter, as follows:

- JJ Global's Opposition to Purchasing Agency's Motion to Dismiss for Lack of Jurisdiction
- JJ Global's Comments to Agency Report

Sincerely,

Shania Nitaro

Legal Assistant

LAW OFFICE OF VANESSA L. WILLIAMS, P.C.

414 West Soledad Avenue GCIC Building, Suite 500 Hagåtña, GU 96910 (671) 477-1389 | (671) 777-5689

2 attachments



2021.11.29 Opposition to Motion to Dismiss.pdf 228K



2021.11.29 Comments to Agency.pdf 206K

1 VANESSA L. WILLIAMS, ESQ. LAW OFFICE OF VANESSA L. WILLIAMS, P.C. 2 414 WEST SOLEDAD AVENUE GCIC BLDG., SUITE 500 3 HAGÅTÑA. GUAM 96910 TELEPHONE: 477-1389 4 EMAIL: VLW@VLWILLIAMSLAW.COM 5 Attorney for Appellant JJ Global Services BEFORE THE OFFICE OF PUBLIC ACCOUNTABILITY 6 7 PROCUREMENT APPEAL 8 DOCKET NO. OPA-PA-21-013 In the Appeal of JJ GLOBAL SERVICES. 10 **OPPOSITION TO** Appellant, 11 MOTION TO DISMISS and 12 GUAM COMMUNITY COLLEGE, 13 14 Purchasing Agency. 15 INTRODUCTION 16 COMES NOW, Appellant JJ Global Services ("JJ Global"), by and through its counsel of 17 record, Vanessa L. Williams of the Law Office of Vanessa L. Williams, and hereby submits its 18 Opposition to Guam Community College's ("GCC") Motion to Dismiss for OPA-PA-12-013. See 19 Mot. Dismiss (Nov. 9, 2021). 20 **BACKGROUND** 21 On May 13, 2021, GCC issued an Invitation for Bid (IFB No. GCC-FB-21-009) for the 22 replacement of GCC's Building 900 mental awning structure. The authority cited by GCC's IFB 23 (page 6) stated that the IFB shall be governed by Guam's Procurement Laws in 5 Guam Code 24 Annotated ("GCA") Chapter 5, and 2 GAR Div. 4. See Notice of Appeal, Ex. 1 (Oct. 27, 2021). 25 On July 2, 2021, GCC provided JJ Global with a Notice of Intent to Award letter for the IFB. The 26 letter provided in pertinent part: "Prior to providing you with the contract, JJ Global Services will 27 need to submit the following documents: ... 7. Updated CPM Chart...." See id. at Ex. 2. On July 28 6, 2021, JJ Global responded to the GCC's Notice of Intent to Award, consistent with the June

27

28

25, 2021 clarification letter, that the completion timeline of 90-days did not include delays due to weather or delay in materials if not on island, and that JJ Global should receive at least 36-hours notice before the Notice to Proceed Date to allow for mobilization. See id. at Ex. 3. On July 27, 2021, GCC provided a July 26, 2021 Notice of Bid Award letter and a proposed contract to JJ Global for the IFB. The Bid Award letter also stated the Notice to Proceed date was July 27, 2021 and that based on the 90 days calendar days "upon the issuance of the purchase order/contract, the deadline to complete this project is October 24, 2021." See id. at Ex. 4. On July 28, 2021, a Purchase Order was signed off by the President of GCC on July 28, 2021 and issued to JJ Global. See id. at Ex. 5. On August 6, 2021, JJ Global submitted a request to GCC seeking an extension of the project completion timeline. The request was submitted following an email from GCC stating, "JJ Global may submit a request in writing asking for an extension because of the time it took to obtain a permit." See id. at Ex. 6. On August 9, 2021, JJ Global followed up with GCC, asking for the status of their request for an extension. See id. at Ex. 7. On August 26, 2021, JJ Global sent a letter to GCC stating the proposed contract did not reflect JJ Global's bid term regarding unanticipated delays outside its control, specifically: "Completion Date may be extended forward in allotment to the number of days needed for any/all the following: delay of permits(s); delay due to weather conditions, i.e. natural disasters, storms, etc.; or delay due to the COVID-19 pandemic, including, but not limited to, materials not on island." See id. at Ex. 8. On September 22, 2021, GCC canceled the award and purchase order for IFB No. GCC-FB-21-009. See id. at Ex. 9. On October 5, 2021, JJ Global protested the cancellation of the award and purchase order for IFB No. GCC-FB-21-009. See id. at Ex. 10. Paragraph 29 of the Instructions of GCC-BF-21-009 states in pertinent part:

Award shall be made to the lowest responsible and responsive bidder, whose bid is determined to be the most advantageous to the Government, taking into consideration the evaluation factors set forth in this solicitation. No other factors or criteria shall be used in the evaluation. Award issued to the lowest responsible bidder within the specified time for acceptance as indicated in the solicitation, result in a binding contract without further action by either party. The right is reserved as the interest of the Government and may require to waive any minor irregularity in the bid received pursuant to 2 GAR, Div. 4 §3109(m)(4)(B).

In the Appeal of JJ Global Services, OPA-PA-21-013 Opposition to Motion to Dismiss

See id. at Ex. 1. On October 12, 2021, GCC denied JJ Global's protest. See id. at Ex. 11. On October 12, 2021, GCC denied JJ Global's protest. See id. at Ex. 11. On October 27, 2021, JJ Global filed a Notice of Appeal for the instant matter, which was docketed as OPA-PA-21-013. Notice of Appeal (Oct. 27, 2021). On November 9, 2021, GCC filed a Motion to Dismiss for Lack of Jurisdiction. Mot. Dismiss (Nov. 9, 2021). On November 15, 2021, GCC filed its Agency Report. JJ Global now files its Comments to GCC's Agency Report on November 26, 2021.

ARGUMENT

JJ Global's appeal is properly before the Public Auditor because the underlying protest was in connection with the award of a contract. JJ Global's protest was timely because no misconduct occurred or could be protested until GCC cancelled the award in violation of the terms of the IFB and the law. Thus, OPA has proper jurisdiction over this appeal and GCC's Motion to Dismiss should be denied.

I. The Public Auditor has jurisdiction over the appeal because JJ Global's protest in connection with the award of a contract.

Section 5425(a) of Guam procurement law provides in pertinent part that any "[a]ny contractor who may be aggrieved in connection with...a contract..." may protest under 5 GCA § 5425(a). The Public Auditor has jurisdiction over the appeals of decisions rendered by the head of the purchasing agency on such protests. 5 GCA § 5425(e). Protesters may protest any phase of the solicitation or award and protests are not limited to those specifically enumerated in 2 GAR Div. 4 § 9101(c)(2). This includes even those instances where contracts have already been awarded, as evidenced by the form of protests required in 2 GAR Div. § 9101(c)(3) ("The written protest shall include as a minimum the following: ... appropriate identification of the procurement, and if a contract has been awarded, its number...[.]") This is further proven by the fact that protests may be filed by contractors, which are defined as "any person *having a contract* with a governmental body." 5 GCA § 5030(f) (emphasis added); *see* 5 GCA § 5425 ("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...[.]")

GCC argues the Public Auditor lacks jurisdiction because JJ Global's protest involves a

contract and not the award of a contract. GCC Agency Rpt. at 8-9. However, the closely bound issues of the award of a contract and a contract on its own is the fault of GCC itself. It is by GCC's own terms and conditions that the award of the IFB automatically formed a binding contract without further action by the parties. Automatic contract formation without further action does not exist in Guam Procurement Law, but is a unique term and condition added by GCC itself in IFB No. GCC-FB-21-009. *See* Notice of Appeal, Ex. 1. Because under GCC's terms a contract is automatically formed when a bid is awarded, any winner of a GCC bid would be precluded from filing any protest under § 5 GCA § 5425 by virtue of the automatic contract formation. Winners would then be forced to appeal only under other statutes and unable to protest the award at all. JJ Global should not be punished for attempting to cover all its bases by filing this appeal when GCC is the one to cause the vague circumstances in the first place.

GCC cites the decision in *Mega United Corp. v. Gaum Econ. Develop. Auth.* as support for its contention. OPA-PA-17-007 Dec. (Aug. 2, 2017). However, the issue in *Mega United Corp.* concerned whether the appeal was filed within the 60-day deadline for decisions regarding contracts or breaches of contracts. *Id.* at 2. The decision did not concern whether the appeal fell within protests involving the award of a contract or disputes of contractual controversies. *Id.* Thus, the decision in *Mega United Corp.* is irrelevant to the matter at hand.

JJ Global's protest is proper because it involves the "method of source selection, solicitation or award of a contract" under 5 GCA § 5425(a). The vagueness of whether the controversy involves an award of contract or a contract dispute is created by GCC itself. JJ Global should not be punished for attempting to cover all its bases by filing this appeal. Therefore, the Public Auditor has jurisdiction over this appeal.

II. The Public Auditor has jurisdiction over the appeal because JJ Global's protest is timely.

JJ Global's protest is not untimely because it was not aware GCC would cancel the award and purchase order until it had actually done so on September 22, 2021. "Where the question of when the statute of limitations begins to run turns on what a reasonable person should have known, a mixed question of law and facts is presented." *DFS Guam L.P. v. A.B. Won Pat Int'l*

 Airport Auth., Guam, 2020 Guam 20 ¶ 88 (citations omitted). Therefore, in order to determine the date of which the 14-day window of section 5425(a) begins to run, the court must conduct an analysis examining what facts are necessary to establish a protest claim and when the protester knew, or should have known, facts establishing the essential elements of that protest claim." *Id.* (citations omitted). "[A]s a general proposition, when alleged misconduct forms the basis of a procurement protest, the time runs from the date on which the protesting party first learned of the purported misconduct." *Id.* (citations omitted).

GCC argues there are several instances purporting that JJ Global knew of the grounds for protest prior to the 14-day statute of limitations for filing of protests, such as (1) the existence of Paragraph 29 of the IFB's terms and conditions; (2) GCC's Notice of Intent to Award and corresponding email received by JJ Global on July 29, 2021; and (3) correspondence between JJ Global and GCC occurring during the month of August 2021. GCC Agency Rpt. 9-12.

However, JJ Global was not on notice that GCC could or would renege or "cancel" the award of JJ Global's contract until GCC did so. Despite had actually cancelled the award of IFB and purchase order. JJ Global was operating under the knowledge that a contract had already been formed between the parties because the award of the IFB created a binding agreement that did not require further action by either party. See Paragraph 29 ("Award issued to the lowest responsible bidder within the specified time for acceptance as indicated in the solicitation, result in a binding contract without further action by either party.") Accordingly, because a binding contract between the parties already existed, the further action of signing a formal contract would not adversely affect its existence. No misconduct to protest occurred until GCC cancelled the award of the IFB. Because GCC did not cancel the award and purchase order until September 22, 2021, the grounds for this protest did not arise until that date. Therefore, JJ Global's October 5, 2021 protest is timely because it is within 14 days of GCC's misconduct that occurred on September 22, 2021.

GCC argues its mere Notice of Intent to Award and corresponding email, sent on July 27, 2021, was sufficient notice of grounds for the instant protest because JJ Global knew "that GCC wanted a signed format contract since the end of July 2021...[.]" GCC Agency Rpt. at 11.

17

19

21

22

20

23

25

24

26 27

28

However, merely knowing GCC wanted a signed formal contract is a wholly different issue from actually terminating the award of said IFB and purchase. Under the IFB's terms and conditions, further action - such as the signing of a contract - did not affect whether a binding contract was formed. Thus, even if JJ Global knew GCC wanted a formal contract signed since July 2021, it had no reason to believe that its lack of signature as a contract formality would lead to the termination of the award and purchase order. By the terms and conditions of the IFB, whether the contract was signed or not should have no bearing on whether a binding contract was formed between the parties.

Throughout the multiple correspondence in August 2021, not once did GCC ever indicate that they believed signature on a formal contract was a condition of award. GCC points to JJ Global asking for an extension for the project as proof of notice for grounds of protest, however asking for an extension was suggested and permitted by GCC itself in its July 29, 2021 and August 4, 2021 emails. See GCC Agency Rpt. Tab 5, AR040, 043 ("JJ Global may submit a request in writing asking for an extension because of the time it took to obtain a permit.") Not once in any of its correspondence did GCC ever indicate it would cancel the IFB award if JJ Global did not sign the contract. See GCC Rpt. Tab 5, AR020, AR024, AR035, AR040, AR043.

JJ Global's protest is timely because the grounds for protest did not arise until GCC had terminated the IFB award and purchase order on September 22, 2021. Therefore, because JJ Global's protest was filed on October 5, 2021, the Public Auditor has jurisdiction over the instant appeal because it was timely filed within 14-days of September 22, 2021.

CONCLUSION

For the foregoing reasons, JJ Global respectfully requests the Public Auditor denies GCC's Motion to Dismiss.

Respectfully submitted this 29th day of November 2021.

VANESSA L. WILLIAMS, ESQ. Attorney for Appellant JJ Global Services