

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>

Fri, May 2, 2025 at 4:55 PM

To: Jerrick Hernandez <jhernandez@guamopa.com>, McDonald Law Office <guam@mcdonald.law> Cc: "Matthew E. Wolff" <mewolff@gdoe.net>, "Jesse N. Nasis" <jnnasis@gdoe.net>, Legal Admin <legal-admin@gdoe.net>

Hafa Adai All,

Please see attached *GDOE <u>Rebuttal to Comments on Agency Report</u>*, and <u>Declaration of Nikolas Cruz in Support of the Agency Rebuttal to the Appellant's Comments</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

[Quoted text hidden]

2 attachments



Declaration of N.Cruz In Support of the Rebuttal re Appeal Case No. OPA-PA-25-003.pdf 52K



1	GUAM DEPARTMENT OF EDUCATION		
2	Jesse N. Nasis, Esq. Matthew E. Wolff, Esq.		
3	501 Mariner Avenue Barrigada, Guam 96913		
4	Telephone: (671) 300-1537 E-mail: legal-admin@gdoe.net		
5	Attorneys for Guam Department of Education		
6	OFFICE OF THE PUBLIC AUDITOR		
7	PROCUREMENT APPEALS		
8	In the Appeal of	APPEAL CASE NO. <u>OPA-PA-25-003</u>	
9			
10	JJ Global Services,	REBUTTAL TO COMMENTS ON AGENCY REPORT	
11	Appellant.	OIVINGENCY REPORT	
12			
13			
14	COMES NOW, the Guam Department of Education ("GDOE"), by and through its Legal		
15	Counsel Matthew E. Wolff, and files its Rebuttal to Comments on Agency Report pursuant to		
16	Title 2 of the Guam Administrative Rules and Regulations ("GAR"), Division ("Div.") 4, Section		
17	("\$") 12104(c)(4), in response to the Appeal of JJ Global Services (hereafter referred to as "JJ		
18	Global" or "Appellant") of GDOE Invitation for Bid ("IFB") 002-2025, for Grounds Maintenance		
19	Services for Various GDOE Public Schools and Support Facilities.		
20			
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			
28		1 (10	

Global alleges that the twenty (20) days for bid submission from publication was insufficient and 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).

Due to the automatic stay, GDOE issued an emergency procurement on January 24, 2025, at approximately 3:30pm. The emergency procurement is for ninety (90) days and includes the same amount of regions as IFB 002-2025, specifically thirty-five (35) schools and two (2) GDOE facilities. *See* Declaration of GDOE Supervisor II, Mark Crisostomo (March 27, 2025). On January 28, 2025, at approximately 9:00am, within less than three (3) business days, JJ Global successfully provided a quote for the emergency procurement for all thirty-five (35) schools and two (2) GDOE facilities and was awarded thirty-three (33) schools and two (2) GDOE facilities. *Id.* JJ Global shall earn approximately \$139,852.29 from the emergency procurement. *Id.*

The ninety (90) days for the first emergency procurement ended on April 16, 2025. The automatic stay applicable to this procurement remains in effect. Prior to the end of the first emergency procurement, Governor Lourdes Leon Guerrero approved GDOE's second request for an emergency procurement on April 15, 2025. Thereafter, GDOE issued a second emergency procurement on April 25, 2025. *See* Supplemental Declaration of Nikolas Cruz (May 2, 2025). JJ Global was awarded thirty-three (33) schools under the second emergency procurement. *Id.* JJ Global shall earn approximately \$128,047.86 under the second emergency procurement. *Id.* As resolution of the appeal is still pending and the second emergency procurement is restricted to ninety (90) days, GDOE with limited options will likely have to seek a third emergency procurement in order to have grounds maintenance services. *Id.* GDOE's Rebuttal to JJ Global's Comments to GDOE's Agency Report herein follows.

II. 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).

In this case, IFB 002-2025, its specifications, and bid receiving deadlines were published and distributed on December 18, 2024. Fourteen (14) days after December 18, 2024, is January 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 protested the specifications and published information. Pursuant to Guam law, JJ Global's arguments regarding specifications, the inclusion of regions within specifications, and the 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 authority for a vendor to dictate specifications or deadlines for a procurement. That is because it 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.

The statute is clear and unambiguous. There are fourteen (14) days within which a protest can legally be made. 5 G.C.A. §5425(a). There is no exception in the statute (5 G.C.A. §5425(a)) for allegations of misrepresentations. 9th Circuit case law is consistent on the concept that when the statute is clear and unambiguous, we look to the *plain meaning* of the statute. Gonzales & Gonzales Bonds & Ins. Agency, Inc. v. U.S. Dep't of Homeland Security, 107 F.4d

1064 (9th Cir. 2024). Analysis really need not be any more complicated than that. Based on the statute, there is no wiggle room for creative or financially-charged interpretation.

JJ Global's defenses about untimeliness miss the point in that JJ Global already had enough information for protest when there was no clarification or response regarding the 9-27-24 letter. However, at that point, there was nothing formally to protest. That formal ability to protest did arrive with the publication and distribution of IFB 002-2025 because its very existence contradicts IFB 007-2023 and the 9-27-24 letter that JJ Global sought clarification on. For this reason, JJ Global's spin on its timeliness is unavailing.

III. JJ GLOBAL'S APPEAL IS MOOT.

Mootness is an issue because GDOE is already receiving all of the grass cutting services it needs through the first (1st) and second (2nd) emergency procurements. Thirty-five (35) schools, thirty-three (33) of which are awarded to JJ Global, and two (2) GDOE facilities are receiving such services under the current emergency procurement contract. Consequently, JJ Global is already receiving the pay it would receive if it won a majority of IFB 002-2025 and if it continued via the 9-27-24 letter. Although the OPA is an administrative tribunal instead of a court, the need for a case and controversy is ever-present, and jurisdiction can be raised at any time. Therefore, due to the current state of the desired services and the absence of a limit as to the number of emergency procurements that GDOE can request, and the benefit of a contract already being currently given to JJ Global, the instant appeal is moot and should thus be dismissed.

///

IV. JJ GLOBAL FAILED TO EXHAUST ITS ADMINISTRATIVE REMEDIES REGARDING ITS UNFOUNDED ALLEGATIONS OF CONTRACT AND BREACH OF CONTRACT CONTROVERSIES OF A SEPARATE AND DISTINCT IFB FROM IFB 002-2025.

The issue before the OPA is that this is an appeal of a protest for IFB 002-2025, and yet JJ Global has shoved a litary of allegations against GDOE for a separate and distinct IFB regarding contract and breach of contract controversies. JJ Global fails to provide any legal authority that allows for the freezing of one (1) IFB (or IFB 002-2025) by and through a protest when the complaint is about a separate and distinct IFB (or IFB 007-2023). Guam law provides an entirely separate mechanism for contract and breach of contract controversies. 5 GCA § 5427. Procurement rules and regulations further provide the procedure for allegations regarding claims 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 ¶ 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 ¶ 60.

In this case, JJ Global improperly inserted numerous allegations regarding 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.* GDOE objects to and denies all allegations regarding the separate and distinct IFB 007-2023 and all related contract controversies. 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

26

controversies, and for these reasons, these allegations regarding a separate and distinct issue and IFB are not properly before the OPA and should be dismissed. *Id.*

V. JJ GLOBAL'S PROTEST AND APPEAL OF IFB 002-2025 ARE CLEARLY TO MONOPOLIZE THE GROUND MAINTENANCE SERVICES FOR GDOE AND MANIPULATE THE DURATION OF THE PROCUREMENT STAY.

JJ Global's protest and appeal of IFB 002-2025 are clearly to monopolize the ground maintenance 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. 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 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 within three (3) business days. See Declaration of GDOE Supervisor II, Mark Crisostomo (March 27, 2025). JJ Global's arguments and actions clearly contradict each other. Third, JJ Global earned \$139,852.29 under the first emergency procurement. Fourth and finally, JJ Global will earn approximately \$128,047.86 under the second emergency procurement. These critical facts are offered for additional consideration for the timing and content of the appeal for IFB 002-2025.

In addition, 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). Furthermore, GDOE moves that JJ Global's allegations regarding the separate and distinct IFB 007-2023 and all related contract controversies

26

24

25

27

be dismissed for failure to state a claim upon which relief may be granted. See First Hawaii Bank v. Manley, 2007 Guam 2 ¶ 9; see also GRCP Rule 12(b)(6).

VI. GDOE PROVIDED THE PROCUREMENT RECORD IN ACCORDANCE WITH THE PROCUREMENT RECORD RULES AND REGULATIONS.

On March 25, 2025, GDOE filed the Procurement Record as required by this appeal, to the OPA and JJ Global. Guam Procurement rules and regulations state, the head of a Purchasing Agency shall submit to the OPA a complete copy of the procurement record relevant to the appeal within five (5) working days of receiving notice of an Appeal, in chronological order where practicable, numbered sequentially, tabbed, and indexed to identify the contents. See 2 GAR Div. 4 §§ 12104(c)(3), 12105. GDOE submitted timely and in accordance with the requirements set forth in the procurement rules & regulations. See generally GDOE Procurement Record. As stated above, GDOE filed the Procurement Record to the tribunal OPA and to opposing counsel JJ Global. In addition, JJ Global's protest preceded bid openings and therefore received bids are confidential and withheld pursuant to Guam law, rules and regulations. 5 GCA § 5429(g); see also 2 GAR Div. 4 §§ 3109(1)(1) & 3109(t)(3). Please also see formal notice included with the filed procurement record as required. See 2 GAR Div. 4 § 12104(c)(6). Therefore, GDOE filed the Procurement Record as provided in the relevant rules and regulations.

VII. **GDOE'S USE OF PURCHASE ORDERS IS VALID.**

24

JJ Global argues that GDOE failed to comply with its own procedures by issuing only a purchase order for IFB 007-2023 and not a long form contract. Purchase orders have been held out as viable contracts by GSA. The Procurement Code also legitimizes the use of purchase orders, at the discretion of GDOE's chief procurement officer. 5 G.C.A. 5121(c). In addition,

27 28

GDOE regularly incorporates by reference the IFB and its attachments and the winning bid into the purchase order, and/or attaches the Purchase Order Terms and Conditions ("PO T&C") to the purchase order even though what is ultimately signed is the purchase order. Either way, GDOE's process is not arbitrary and is supported by both statute and common practice.

VIII. JJ GLOBAL'S PROTEST APPEAL DEPRIVES ALL PARTIES FROM THE MOST OPTIMAL AND EQUITABLE PROCUREMENT ENVIRONMENT FOR GRASS CUTTING.

Although lacking an accurate citation¹ to the procurement code, JJ Global cites to various underlying values and purposes of the code (increased public confidence in the procedures, ensuring fair and equitable treatment of all persons, providing increased economy in Guam activities, maximizing the purchasing value of public funds, fostering effective broad-based competition within the free enterprise system, and to provide safeguards for the maintenance of a procurement system of quality and integrity). First, JJ Global conveniently leaves out the 8th and final purpose and policy listed under §5001(b) of the procurement code, "to require public access to all aspects of procurement consistent with the sealed bid procedure and the integrity of the procurement process." The sealed bid procedure is what governs IFB 002-2025, which JJ Global has arrested through the instant appeal. Again, regarding confidence in the procedures, GDOE follows the procedure when it deems statutorily untimely protests as untimely. The most fair and equitable treatment of all persons while maximizing broad-based competition and the purchasing value of public funds is to allow IFB 002-2025 to move forward because that is where all competitive persons and entities participate and because that is where selection will

be based on lowest price rather than on incumbency and letter extensions, and because within IFB 002-2025, quality and integrity (most responsive and responsible, confirmed via various affidavits) will be present as compared to litigation where settlement may cause a blind eye to be turned to quality and integrity for the sake of moving on.

IX. THE NEED FOR A VALID CONTRACT AND AN EFFORT TO UPHOLD THE PURPOSES OF THE PROCUREMENT CODE GAVE RISE TO IFB 002-2025.

JJ Global argues that the subject matter of IFB 007-2023 and IFB 002-2025 are the same. The difference, however, is that the former has an expired unextendible contract and the latter presents GDOE's and all prospective bidders' best chance at a legitimate, competitive, extendable contract with integrity and freedom from emergency procedures. GDOE did not make the deadline of extending the IFB 007-2023 contract by the extension deadline of 9-30-24, which means that the IFB 007-2023 contract was dead and could not be extended. One would never put it beyond humans to try to patch things up, which is what prompted the 9-27-24 extension letter. But even the extension letter was not per se extendible. For cleanliness, GDOE immediately got to work on the prospect of a new competitive viable extendable and legitimate contract through IFB 002-2025, and upon final realization of the nonresuscibility of the IFB 007-2023 contract, GDOE terminated the 9-27-24 letter. Whether all reasons were immediately revealed amidst growing tensions is less relevant than the fact that GDOE was taking immediate steps to make it right with a new proper procurement. There is nothing underhanded or retaliatory about trying to make something more proper under the code, and the duty of good faith and fair dealing does not

(Footnote continued from previous page)

¹ Citation- The citation should have been 5 G.C.A. §5001(b) rather than 5 G.C.A. §5703.

1	obligate any one party to reveal any and all thought processes and rationales. Rather, it requires		
2	that all parties head in the right direction with the intention of no harm.		
3			
4	X. FOR SERVICES RENDERED, THE GOVERNMENT CLAIMS ACT, OUTSIDE		
5	THE OPA PROCESS, IS AVAILABLE AND CONSISTENT WITH PROCUREMENT LAW.		
6	JJ Global, legally represented, always had and has access to the Government Claims Act		
7			
8			
9	the contract having expired by its own terms on 9-30-24). This stance is supported by the		
10	procurement regulations. 2 GAR, Div. 4, §9103(c)(2). Thus, JJ Global is not without remedy if		
11	the record shows that it has performed under the prior contract or 9-27-24 letter without being		
12	runy compensated. However, such money-owed issues are not proper when before the OPA. 5		
13			
14	money owed to or by the government of Guam").		
15			
16			
17	XI. <u>CONCLUSION.</u>		
18	In conclusion and based on the above, GDOE respectfully requests the appeal be denied		
19	and dismissed in its entirety.		
20	Dated: May 2, 2025.		
21	Respectfully submitted,		
22	GUAM DEPARTMENT OF EDUCATION		
23	111		
24	By:		
25	MATTHEW E. WOLFF Legal Counsel		
26			
27			
28	Page 10 of 10		