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OFFICE OF THE PUBLIC AUDITOR
PROCUREMENT APPEALS

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Attorneys for the Department of Public Works

## BEFORE THE GUAM PUBLIC AUDITOR Procurement Appeal

IN THE APPEAL OF:	) DOCKET NO. OPA-PA 09-005 )
GUAM COMMUNITY IMPROVEMENT FOUNDATION, INC.	) ) REPLY TO APPELLANT'S MEMO ) RE: DECLARATION OF
Appellant.	) SUBSTANTIAL INTEREST ))

Appellant filed its Memorandum re Declaration of Substantial interest on 3 September 2009. The Purchasing Agency, Department of Public Works, replies herewith, pursuant to ¶2.b. of the 16 September 2009, OPA Notice of Hearing and Scheduling.

Appellant concludes in ¶2 of its Memo that the temporary JFK facility at Tiyan meets the minimum standards of the Every Child is Entitled to an Adequate Public Education Act, §4, i.e., notwithstanding a dysfunctional cafeteria, marginal vocational education facilities, unsafe building material, unsafe layout/design, inadequate toilet facilities placement, unhealthful/unsafe student/teacher exposure to the elements, hazardous lack of exit from classrooms, truncated educational curriculae to cite just a few of the many non-conformities with the Act with the interim facility. Appellant suggests that there is no "substantial need" to rectify these statutory non-conformities with the earliest re-build of the real JFKHS.

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Appellant correctly confirms effective application of the August 2008 State

of Emergency Declaration, underscoring the inherent "substantial interest" in

fulfilling the objectives thereof with alacrity; not "death by committee" as would

otherwise likely be the case.

Appellant states in its ¶6 that the "hardship has past" (sic), when

contrariwise, it worsens with each passing day. In its next paragraph, Appellant

implies it is acceptable for the students to endure continued "disruption". The term

"interim" is inherently disruptive, manifestly creating an intensifying "substantial

interest" in the procurement process to parallel the protest appeal procedure to

ensure the earliest re-construction of the JFKHS facility.

By an attempted portrayal of GovGuam delay, Appellant suggests that it is

somehow government delay that caused the substantial interest situation. On the

contrary, it was the filing of an eleventh hour, speculative protest by Appellant just

as the project finance instruments were being executed that thwarted the

conclusion of the procurement process leading to bid award at an enormous

taxpayer cost and incalculable cost to the education of 2,300 students.

Courts have accorded great weight to a purchasing agency's bid selection

decisions. As here, Appellant "having presented no evidence or argument that

Guam's procurement law ... was not fully complied with by the parties ... courts

are loathe to interfere in government procurement.... It is appropriate to interfere

and substitute a court's judgment for the administrator's only where there appears

no rational basis for the procurement decision." Pacific Data Systems, Inc. v.

Superior Court of Guam, 1990 WL 320357 (D.Guam A.D.). Citing the United

States Supreme Court, the Pacific Data decision, the court included: "we have

long recognized that considerable weight should be accorded to an executive

department's construction of a statutory scheme it is entrusted to administer". Id. at

p.3. And even if a reviewing body may have handled the procurement differently

does not mean the agency action should be set aside as arbitrary and capricious;

"there must be instead, a showing that the agency has transgressed statutory

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DPW's Witness & Exhibit List

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boundaries." John W. Danforth Company v. Veterans Administration, 41 F.Supp 1062, 1070 (DCNY, 1978).

Inexorably, the procurement process must be allowed to culminate on a "substantial interest" basis. In the §1 words of the Every Child Entitled to Adequate Public Education Act: the education of our children is the top priority of our Government. (emphasis added). Webster's defines "substantial" as "significantly large.... real, true, not imaginary, important, essential; significantly large". Just what we have here.

Dated this 21<sup>st</sup> day of September 2009.

OFFICE OF THE ATTORNEY GENERAL Alicia G. Limtiaco, Attorney General

By:

Benjamin M. Abram

Assistant Attorney General