BEFORE THE PUBLIC AUDITOR PROCUREMENT APPEALS **TERRITORY OF GUAM**

OPA Docket OPA PA 12-014

In re the PROTEST OF 7

PACIFIC DATA SYSTEMS, INC.,

AMENDED SCHEDULING ORDER

Protestant.

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In a paper entitled Partial Response to Hearing Officer's Order that Pacific Data Systems, Inc. (PDS) filed with the Public Auditor October 4, 2012, counsel for PDS correctly notes that the Scheduling Order issued October 3, 2012, cited to 5 G.C.A. § 5425A instead of to 5 G.C.A. § 5425.1. Public Law 31-12, enacted March 9, 2011, created § 5425A and the Compiler of Laws, in a note following the section, states the provision was renumbered as § 5425.1 "to harmoniously fit the general codification scheme of the GCA."

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It appears that "[n]otwithstanding any other provision of [5 G.C.A., Chapter 5]," the Public Auditor has exclusive authority to hear protests arising from "an award or contract funded, in whole or in part, by the funds allotted to the Gam Department of Education from the 2009 American Recovery and Reinvestment Act (ARRA)." 5 G.C.A. §5425.1. But the Public Auditor is concerned whether 5 G.C.A. § 5425.1 has been impliedly repealed by § 8 of Public Law 31-196, enacted March 28, 2012, which states in pertinent party:

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(a) Notwithstanding any other provision of the Guam Procurement Law and any rules promulgated therefore, if an actual or non-selected vendor, contractor, or service provider is aggrieved by an award or a contract funded, in whole or in party, by funds allotted to the Guam Department of Education for Capital Improvement Projects and air conditioning repair and maintenance, the procedure for protest outlined in this Section shall apply and shall be the exclusive means available to resolve the concerns of persons aggrieved in connection with awards or solicitations involving Capital Improvement Projects and air conditioning

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repair and maintenance, in whole or in part. The protest *shall* be submitted to the Public Auditor who may settle and resolve a protest by one (1) or more of the following means:

- 1) Amending or canceling the solicitation;
- 2) Terminating the contract that was awarded;
- 3) Declaring the contract null and void from the time of its award; or
- 4) Affirming the contract award decision. If the protest is *not* resolved by mutual agreement, the Public Auditor *shall* issue a decision, in writing, within *no more than* ten (1) working days of receipt of the protest. The decisions *shall* state the reasons taken. A copy of the written decision *shall* be mailed, using certified mail, *or* otherwise furnished to the vendor, contractor, or service provider who initiated the protest, the person awarded the contract, and to all other non-selected bidders or offerors.
- (b) For purposes of this Section, the determination of facts and decision by the Public Auditor for the resolution of protests *shall* be final and conclusive with *no* right of appeal *or* judicial review. The fact that a protest has been filed pursuant to this Section *shall not* stay the procurement process or award of any contract, whether in whole or in part, *unless* so ordered by the Public Auditor. A request for reconsideration *shall also not* stay the award of any contract, whether in whole or in part, *unless* so ordered by the Public Auditor. This Section is repealed effective December 31, 2012.

Public Law 31-196, § 8; emphasis in original.

Given the striking similarity in language between § 8 of Public Law 31-196 and that of 5 G.C.A. § 5425.1, it is reasonable to question whether the later act, Public Law 31-196, impliedly repealed 5 G.C.A. § 5425.1 as added by Public Law 31-12. In addressing this question, one must be mindful of the following:

Repeals by implication are disfavored. *See Lujan v. Lujan*, 2000 Guam 21, ¶ 21 (citation omitted); *see also People v. Quinata*, Crim. No. 81-0004A, 1982 WL 30546, at * 2 (D.Guam App. Div. Jun. 29, 1982 (citations omitted). Implied repeals can be found in two instances: "(1) where provisions in the two acts are in irreconcilable conflict: or "(2) if the later act covers the whole subject of the earlier one and is clearly intended as a substitute." *Quinata*, 1982 WL 30546, at * 2 (citation omitted). Courts can avoid a finding of implied repeal if the two statues can be reconciled. *See id.; Lujan*, 2000 Guam 21 at ¶ 11. The Procurement Law itself contains an implied repealer provision. *See* Title 5 GCA § 5006 (1998). That section provides:

Construction Against Implied Repealer. Since this Chapter is a general law, no part of it shall be deemed to be impliedly repealed by subsequent

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legislation if such construction of the subsequent legislation can be reasonably avoided.

Id. Therefore, the Procurement Law requires a court to attempt to reconcile a contradictory statute before determining that the later statute repeals a provision of the Procurement Law by implication.

Sumitomo Construction Co., Ltd. v. Government of Guam, 2001 Guam 23, ¶ 16.

In light of the foregoing, the Scheduling Order issued October 3, 2012, is hereby amended to read:

Peter C. Perez, Esq., duly appointed by the Public Auditor as the Hearing Officer in the above-captioned matter and acting pursuant to powers granted to the Public Auditor by Public Law 31-196, § 8, codified as 5 G.C.A. § 5425A, relevant to protests of Department of Education (DOE) actions pertaining to the expenditure of funds allocated to DOE for "Capital Improvement Projects and air conditioning repair and maintenance," hereby orders:

- 1. A hearing shall be had before the Public Auditor at 3:00 p.m., Monday, October 8, 2012, at Room 907, DNA Building, 238 Archbishop Flores Street, Hagatna, Guam 96910, for Pacific Data Systems, Inc. (PDS), and the Department of Education to address questions relative to DOE's issuance of purchase orders to Softchoice in response to DOE's Invitation for Bid (IFB) 014-2012 for the purchase of an indefinite quantity of laptops, mobile computer labs, laptops with docking stations and desktop computers. *See* DOE's Answer filed September 28, 2012, and DOE's Notice of Bid Status and Intent to Award dated September 20, 2012, Exhibit 1 to PDS protest.
- 2. Softchoice and Compacific, as interested parties, may appear through their representatives and shall be heard as the Hearing Officer may deem appropriate.
- 3. On or before 10:00 a.m., Monday, October 8, 2012, DOE shall submit to the Public Auditor written evidence to support the statement in its Opposition to PDS' Request for Entry of Stay that "if any obligations are cancelled or modified or if any orders cannot be

filled by September 30, 2012, such actions will result in the loss of these funds." In responding to this paragraph, DOE's attention is directed to the letter of September 25, 2012, from the U.S. Department of Education to the Governor of Guam, a copy of which is attached hereto as Exhibit A.

- 4. On or before 10 a.m., Monday, October 8, 2012, DOE, PDS, Softchoice and Compacific are invited to submit to the Public Auditor any additional materials which they believe may assist the Public Auditor in reaching an expedited decision in this matter. The Public Auditor specifically requests the parties, including the interested parties, to assess whether the PDS protest is taken pursuant to 5 G.C.A. § 5425.1 or whether that section of the Procurement Law was impliedly repealed by § 8 of Public Law 31-196; and, if such repeal occurred, whether DOE IFB 014-2012 is for a "capital improvement project."
- 5. The parties, including the interested parties, may also offer comments on whether Buy American or local preference statues apply to the subject IFB. Please note that in its bid Softchoice identified itself as being 100 per cent owned by Softchoice Corporation of Toronto, Canada.

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PETER C. PEREZ, ESO.,

Hearing Officer

Dated October 5, 2012.

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To:

Mr. Marcus Pido

Supply Management Administrator Guam Department of Education

From:

Doris Flores Brooks, CPA, CGFM

Public Auditor

OPA Procurement Appeals Suite 401 DNA Bldg. 238 Archbishop Flores St. Hagatna, Guam 96910

Agency:	Guam Department of Education	Pages	5 (including cover page)	
CC:	John Day, President Bill R. Mann, Attorney for PDS Pacific Data Systems	Date:	October 5, 2012	
	Rebecca M. Perez, Esq., Legal Counsel Andrew T. Perez, Esq., Legal Counsel Guam Department of Education			
	All Media			
Fax:	PDS: 300-0265/477-2778 GDOE: 472-5001	Point of Contact Nos.	Tel: 475-0390 x 210 (Vince Duenas) Fax: 472-7951	
Re:	Amended Scheduling Order - OPA-PA-12-014			
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Vince Duenas – vduenas@guamopa.org

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