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*Attorneys for the
Honorable Lourdes A. Leon Guerrero
Governor of Guam*

IN THE SUPERIOR COURT OF GUAM

LOURDES A. LEON GUERRERO,
I MAGA'HÁGAN GUÁHAN, GOVERNOR
OF GUAM, *in her official capacity*,

Plaintiff,

v.

DOUGLAS B. MOYLAN, ATTORNEY
GENERAL OF GUAM, *in his official
capacity*, and the OFFICE OF THE
ATTORNEY GENERAL OF GUAM,

Defendants.

SUPERIOR COURT CASE NO.

**COMPLAINT FOR DECLARATORY
AND INJUNCTIVE RELIEF**

Plaintiff Lourdes A. Leon Guerrero, *I Maga'hāgan Guāhan*, Governor of Guam, by and through counsel, alleges as follows:

I. INTRODUCTION

1. This is an action for declaratory judgment regarding the rights of Governor Leon Guerrero to approve and sign contracts related to the Dignity Project, a project of the Defendant

Office of the Attorney General (“OAG”), and to enjoin the OAG and Attorney General Douglas B. Moylan (“AG Moylan”) from expending public funds in furtherance of the Dignity Project, for which professional services were procured in violation of Guam procurement law and Guam law requiring the Governor’s approval of Executive Branch contracts.

II. PARTIES

2. Plaintiff Lourdes A. Leon Guerrero is the Governor of Guam, exclusively vested by the Organic Act of Guam with the executive power of Guam and the responsibility to ensure faithful execution of the laws of Guam and the laws of the United States applicable in Guam.

3. Defendant Douglas B. Moylan is the Attorney General of Guam, designated by the Organic Act of Guam as the Chief Legal Officer of the Government of Guam and designated by Guam law as the public prosecutor.

4. Defendant the Office of the Attorney General of Guam is an agency of the Government of Guam administered by the Attorney General of Guam.

III. JURISDICTION

5. This court has original jurisdiction over this Complaint pursuant to 7 GCA § 3105.

IV. RELEVANT BACKGROUND

6. The Opioid Recovery Advisory Council (“ORAC”) was established by Public Law No. 36-064 to provide for the use of dedicated revenue for treatment and prevention of opioid use disorder and co-occurring disorders.

7. The ORAC consists of eleven (11) members, and the Attorney General or his designee serves as the non-voting chairperson of the council.

8. Among other powers, the ORAC determines the use of funds within the Opioid Recovery Trust Fund (the “Fund”), a continuing fund in which the proceeds of civil received on behalf of Guam by the Office of the Attorney General (“OAG”) relating to manufacture,

marketing, distribution, promotion or dispensing of opioids, whether received by verdict or settlement, are deposited.

9. Guam law provides that the OAG, in consultation with the ORAC, shall administer the Fund.

10. The law further provides that monies in the Fund shall be expended to mitigate the impacts of the opioid epidemic on Guam, including, but not limited to, expanding access to opioid use disorder prevention, intervention, treatment, and recovery options.

11. In determining expenditures of the Fund, the ORAC is to consider programs including but not limited to (1) programs that prevent substance use disorders through an evidence-based youth-focused public health education and prevention campaign; (2) programs that develop and implement public education campaigns to reduce stigma against individuals with a substance use disorder, provide information about risks of substance use, and information on services to reduce the adverse health consequences associated with substance use disorders; (3) programs that provide substance use disorder treatment and early recovery programs for youth and adults; (4) programs that provide harm reduction counseling and services to reduce the adverse health consequences associated with substance use disorders; (5) programs to provide housing services for people who are recovering from a substance use disorder, based on the individual's need and stage of recovery; (6) programs to support community-based or diversion programs that reduce the likelihood of criminal justice involvement for individuals at risk of substance use disorder; (7) programs that provide programs for pregnant women and new parents who have had a substance use disorder and newborns with neonatal abstinence syndrome; and (8) to provide vocational and educational training for individuals with or at risk for a substance use disorder.

12. In August 2024, AG Moylan caused to be erected several billboards in Guam depicting Michelangelo's fresco "The Creation of Adam," with the title "The Dignity Project,"

and further captioned “Imagine a place for those in need...MEAL · SHOWER · SLEEP · WORK.”

The billboard was also affixed with the agency logo for the OAG, and a QR Code.

13. Though AG Moylan intended to fund the Dignity Project utilizing monies from the Fund, he erected the billboard announcing the project prior to receiving authorization from ORAC regarding the expenditure of funds.

14. An August 2, 2024 article on the Dignity Project published by the Pacific Daily News (the “PDN Article”) reported that AG Moylan had said the project proposal for the Dignity Project was set to go before the ORAC for funding on August 29, 2024. The PDN Article further quoted AG Moylan as saying “the project particulars including market research have already been confirmed so we anticipate implementation immediately upon the award of procurements.”

15. Though AG Moylan intended to fund the Dignity Project utilizing monies from the Fund, he had selected vendors for the project prior to receiving authorization from ORAC regarding the expenditure of funds.

16. The PDN Article further reported that the OAG planned to use the SureStay Hotel in Barrigada to provide a temporary evening shelter for participants, with meals to be provided by Market Deli.

17. On August 29, 2024, the ORAC convened to consider AG Moylan’s proposed Dignity Project, ultimately voting to approve an award of One Million Four Hundred Ninety-Seven Thousand, Nine Hundred Ninety-Seven dollars and Twenty-Two cents (\$1,497,997.22) to the OAG for the implementation of the Dignity Project subject to review of the Request for Proposal (“RFP”) by Guam Behavioral Health and Wellness Center (“GBHWC”), Department of Public Health and Social Services (“DPHSS”), and any other ORAC member.

18. On August 30, 2024, AG Moylan signed a resolution on behalf of ORAC purporting to record the council’s vote.

19. On September 13, 2024, the OAG issued Request for Proposal No. 005-2024 (the “RFP”). The RFP solicited proposals for administration of the Dignity Project. The Scope of Work included employment of peer support specialists, transportation, helpdesk services, reporting, wrap-around service plans for obtaining identification cards, housing, transportation, education, job placement, job training and childcare, intake, procurement of toiletries, consultation, assessment, counseling, and recovery case management services, procurement of professional security services, procurement of evening shelter facilities, including rooms, restrooms and showers, conference rooms and laundry, procurement of professional catering services, and procurement of services to provide clothing vouchers to participants.

20. The RFP drew a single proposal. However, the vendor was unable to accommodate the one-night stay requirement of the project.

21. On February 7, 2025, the General Services Agency (“GSA”) issued Invitation for Bid No. GSA-014-25 (the “IFB”), soliciting hotel lodging and accommodations, including meals and security services.

22. On March 14, 2025, the GSA issued a Notice to Prospective Bidders, informing prospective bidders that the IFB had been cancelled due to no participation.

23. On April 15, 2025, AG Moylan executed an Agreement (“TPH Contract”) between the OAG and Tropical Palm Hotel (“TPH”) in the amount of One Million One Hundred Thirty-One Thousand, Five Hundred dollars (\$1,131,500.00) for services including the provision of guest room accommodations and common facilities, meals, and security services.

24. The Recitals section of the TPH Contract notes that, after IFB No. GSA-014-25 received no bids, AG Moylan “decided to procure the services via sole source procurement by issuing 3 requests for quotes for services,” and “[TPH] was the sole vendor to respond with a quote

and has agreed to provide housing, meals, and supportive services under the terms outlined” in the Agreement.

25. Guam law governing the use of sole source procurements does not entail merely issuing three (3) requests for quotes. Rather, 5 GCA § 5214 requires fulfillment of numerous requirements to ensure a sole source contract is only awarded where there is only one (1) source for the required supply or service.

26. Title 5 GCA § 5214 provides that contracts may be awarded on a sole source basis without competition when, prior to commencing negotiations, the purchasing agency determines in writing that there is only one source for the required service *and* the purchasing agency prepares a package to market and present to prospective vendors, based on the determination of need and market research, that contains, among other things, the description of services, evaluation factors, and delivery or performance schedule.

27. Section 5214 further provides that prior to and as a condition of making a determination that there is only one source, the purchasing agency shall prepare a report including a detailed analysis of the minimum needs of the government upon which the contract is based, findings from thorough market research, and a conclusion that will certify accurate and complete necessary data to support the recommendation that there is no other source that will satisfy the minimum needs of the government.

28. Section 5214 states that the report referred to in the preceding paragraph must be signed by the person or persons conducting the market research and analysis, and shall be made part of the procurement record.

29. Section 5214 further states a sole source contract shall not be awarded or executed unless and until the purchasing agency has determined in writing that the contract price is fair and reasonable and consistent with applicable regulations, and that such determination shall include

relevant cost and price information from the sole source and comparable or substitute supplies, services, or construction items.

30. Section 5214 further provides that the purchasing agency in a sole source procurement shall publish notice in a newspaper of general circulation on Guam and on its website within fourteen (14) calendar days of awarding any contract in excess of \$50,000, which shall include the name of the purchasing agency, the awardee, the contract award amount, term, and the nature of the contract.

31. The TPH Contract fails to demonstrate that AG Moylan complied with the sole source procurement requirements enumerated in Section 5214. Instead, he merely solicited three quotes from vendors and awarded the contract to the only vendor that responded.

32. Based on AG Moylan's own description of the procedure he utilized to procure the TPH Contract and the recitals of the TPH Contract, AG Moylan failed to comply with the stringent requirements of the sole source procurement statute in procuring the TPH Contract.

33. While the TPH Contract involved the obligation of approximately \$1.4 million dollars of ORAC funds to a private vendor for non-professional services, the TPH Contract was executed by only AG Moylan and TPH.

34. AG Moylan failed to present the TPH Contract to Governor Leon Guerrero for her signature or her approval.

35. On or about April 15, 2025, the OAG delivered a copy of the TPH Contract to the Department of Administration ("DOA") for contract registration.

36. On or about April 17, 2025, the DOA refused to process the TPH Contract because the contract was not approved or signed by Governor Leon Guerrero as required by 5 GCA § 22601, which provides that "[a]ll contracts shall, after approval of the Attorney General, be

submitted to the Governor for his signature. All contracts of whatever nature shall be executed upon the approval of the Governor.”

37. On April 22, 2025, Chief Deputy Attorney General Joseph Guthrie (“CDAG Guthrie”) issued Legal Opinion AG 25-190, addressed to the General Accounting Supervisor of the OAG, stating that the Governor’s signature was not required on the TPH Contract. CDAG Guthrie’s analysis was based on his interpretation of 5 GCA § 5121(c), which provides that the Chief Procurement Officer or a procurement officer of a procuring agency authorized to procure the services or supplies as stated in the Rules promulgated by the Procurement Policy Office (“PPO”), shall execute all contracts for the Government of Guam. Relying on the Compiler of Guam’s comment regarding Section 5121(c), CDAG Guthrie concluded that the provision drew a distinction between the contracts referenced in 5 GCA §§ 5121(c) and 22601, and that “procurement contracts” were not included in Section 22601’s reference to “all contracts,” which were executed upon the approval of the Governor. CDAG Guthrie further claimed that the TPH Contract was a “sole source purchase order,” which did not require the Governor’s approval. Finally, CDAG Guthrie claimed that administration of ORAC funds did not require the Governor’s approval.

38. Legal Opinion AG 25-190 also referenced Legal Opinion GMHA 04-0559, in which then Deputy Attorney General Guthrie, employed by then AG Moylan, advised the Guam Memorial Hospital Authority (“GMHA”) that the Governor’s signature was not required on GMHA’s procurement contracts, relying on the same analysis regarding 5 GCA §§ 5121(c) and 22601.

39. On April 23, 2025, Assistant Attorney General Ramiro Orozco (“AAG Orozco”) sent a letter to DOA General Accounting Supervisor John Camacho entitled “Notice of Violation of Law; Registering Dignity Project Contract; Request to Immediately Cure” (“Notice”). In the

Notice, AAG Orozco informed Mr. Camacho that the Government Corruption Division of the OAG had received a complaint regarding Mr. Camacho's failure to register the TPH Contract, which actions subject the ORAC, and potentially Government of Guam taxpayers to a civil lawsuit for breach of contract.

40. The Notice further states "[p]lease be informed that if you do not immediately accept this contract for processing/registering by 12:00 p.m. tomorrow, April 24, 2025 that this elected, chief law enforcement office intends to charge you with official misconduct (4 GCA § 49.90), obstructing government function (9 GCA § 55.45), as well as possible other applicable crimes. Your actions threaten the welfare of the Council, its officials and potentially the taxpayers/our client/Government of Guam."

41. The Notice further states "[w]e also intend to also (sic) seek personal monetary damages against you for the damages that the Council faces pursuant to the before cited criminal statutes. You may avert this prosecution by immediately giving notice that you have registered the before identified contract."

42. The Notice attached the ORAC resolution, the TPH Contract, Legal Opinion AG 25-019, and Legal Opinion GMHA 04-0559, and did not provide any additional information explaining or justifying why the TPH Contract did not require Governor Leon Guerrero's approval and/or signature.

43. After receiving the Notice, Mr. Camacho approved and confirmed the TPH Contract.

44. On April 23, 2025, AG Moylan caused to be issued a press release announcing the launch of the Dignity Project at the Tropical Palm Hotel on April 28, 2025, noting that "Guam's homeless will be promptly vetted & accepted beginning that Monday evening for services," and

attaching a flyer with a phone number for “reservations” as well as a schedule of events for program participants.

**FIRST CLAIM FOR RELIEF –
DECLARATORY JUDGMENT
(against both Defendants)**

45. Governor Leon Guerrero incorporates by reference and realleges all her prior allegations.

46. An actual and justiciable controversy has arisen and now exists between Governor Leon Guerrero and the Defendants. This controversy is based on specific adverse claims between the parties and present, rather than future or speculative, facts. Specifically, AG Moylan and the OAG violated 5 GCA § 22601 by executing the TPH Contract without the signature or approval of Governor Leon Guerrero and causing the TPH Contract to be registered with the DOA.

47. On information and belief, Defendant contends that 5 GCA § 22601 does not apply to the TPH Contract, and the contract was properly executed without the signature and/or approval of the Governor.

48. A judicial declaration is necessary and appropriate so that the parties may ascertain their respective legal rights and duties with respect to the TPH Contract pursuant to 5 GCA § 22601.

49. Governor Leon Guerrero seeks a declaration that the TPH Contract was not fully executed in compliance with Guam law, and the Defendants may not perform, incur debt based on, or cause payments to be made on the contract.

**SECOND CLAIM FOR RELIEF –
TEMPORARY, PRELIMINARY AND PERMANENT INJUNCTIVE RELIEF
(against both Defendants)**

50. Governor Leon Guerrero incorporates by reference and realleges all her prior allegations.

51. Defendants have purported to execute the TPH Agreement and caused the same to be registered with the DOA in violation of Guam law.

52. Defendants have further announced their intention to imminently begin performance of the TPH Contract, which will result in the unlawful expenditure of public funds.

53. Governor Leon Guerrero requests that the Court enter a temporary restraining order under Rule 65 of the Guam Rules of Civil Procedure enjoining Defendants and their agents, servants, employees, assigns and attorneys, from taking any action to perform on the TPH Contract, incur debt on the TPH Contract, and utilizing public funds to pay for services rendered under the TPH Contract.

54. Governor Leon Guerrero further requests issuance of a preliminary injunction enjoining Defendants and their agents, servants, employees, assigns and attorneys from taking any action to perform on the TPH Contract, incur debt on the TPH Contract, and utilizing public funds to pay for services rendered under the TPH Contract.

55. Governor Leon Guerrero further requests issuance of a permanent injunction enjoining Defendants and their agents, servants, employees, assigns and attorneys from taking any action to perform on the TPH Contract, incur debt on the TPH Contract, and utilizing public funds to pay for services rendered under the TPH Contract.

56. Governor Leon Guerrero has no adequate remedy at law, and will be irreparably harmed if temporary, preliminary, and permanent injunction is not entered. If permitted to proceed with performance of the TPH Contract, the Defendants will have violated Governor Leon Guerrero's right and obligation to review, approve and/or sign the TPH Contract prior to performance.

V. PRAYER FOR RELIEF

Wherefore, Governor Leon Guerrero respectfully requests that the Court:

1. Issue a declaratory judgment finding that AG Moylan and the Office of the Attorney General violated 5 GCA § 22601 by purporting to execute and causing to be registered the TPH Contract without the Governor's approval and/or signature;
2. Issue a declaratory judgment finding that the TPH Contract was not fully executed in compliance with Guam law, that the parties may not commence performance of the contract, and Defendants may not utilize public funds to pay on the contract.
3. Issue a temporary, preliminary, and permanent injunctive relief, enjoining Defendants and their agents, servants, employees, assigns and attorneys from taking any action to perform on the TPH Contract, incur debt on the TPH Contract, and utilize public funds to pay for services rendered under the TPH Contract.
4. Grant such other relief as the Court may deem just and proper.

Respectfully submitted this 24th day of April, 2025.

OFFICE OF THE GOVERNOR OF GUAM
Office of Legal Counsel

By: 

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