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SUPERIOR COURT
OF GUAM

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CLERK OF COURT

IN THE SUPERIOR COURT OF GUAM

LUIS E. BUSTAMANTE dba JJ GLOBAL
SERVICES,

Plaintiff,

vs.

ANTONIO B. WON PAT INTERNATIONAL
AIRPORT AUTHORITY, GUAM,
GOVERNMENT OF GUAM,

Defendants.

CIVIL CASE NO. CV0703-25

**DECISION AND ORDER GRANTING IN
PART AND DENYING IN PART MOTION
TO DISMISS**

Defendant Antonio B. Won Pat International Airport Authority, Guam ("GIAA") moves to dismiss Plaintiff Luis E. Bustamante dba JJ Global Services' ("JJ Global") Complaint under Rules 12(b)(1) and 12(b)(6) of the Guam Rules of Civil Procedure. The Court GRANTS the motion IN PART and DENIES IN PART.

I. FACTUAL AND PROCEDURAL BACKGROUND

GIAA and JJ Global entered into a written agreement for grounds-maintenance services on or about January 2020. Decl. Counsel, Ex. I, Attach. (a) (Mar. 18, 2026); Decl. John M. Quinata, Ex. A (Feb. 7, 2026).¹ The Contract set an annual fixed price of \$289,485.00. It

¹ For ease of reference, the Court refers to JJ Global's Exhibit I Attachment (a), found in "Declaration of Counsel", and GIAA's Exhibit A, found in "Declaration of John M. Quinata," — which are copies of the same agreement—as the "Contract." Both exhibits identify the document as Contract No. GIAA-S20-005, which comprises the Invitation to Bid, IFB No. GIAA-003-FY20. Unless otherwise indicated, the Court cites to the copy attached to JJ Global's Declaration of Counsel. Although Paragraph 8 of the Complaint alleged that JJ Global and GIAA entered into the Contract on or about January 2020, JJ Global did not attach the Contract

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required GIAA to review properly submitted invoices and, if the work conformed to the Contract, to pay within 30 days. Decl. Counsel, Ex. I, Attach. (a) at 3. Article 14.5 establishes the Contract's dispute procedure: the parties must first attempt to resolve disputes through mutual agreement. *Id.*, Ex. I, Attach. (a) at 12. If that effort failed, GIAA must decide the controversy in writing within 60 days after the contractor requests in writing that GIAA issue a final decision. *Id.* If GIAA does not issue a decision within that period, the contractor may proceed as though GIAA issued an adverse decision. *Id.*

For disputes involving money owed under the Contract, Article 14.5(A) requires the contractor to file a Government Claim no later than eighteen months after GIAA renders a decision or after the date when a decision should have been rendered. *Id.* The Contract also requires exhaustion of administrative remedies before an action may be filed in the Superior Court of Guam. *Id.*

GIAA terminated the agreement for convenience effective January 31, 2023. Decl. Counsel, Ex. I, Attach. (c); Decl. John M. Quinata, Ex. B. The termination letter did not resolve the balance, if any, due for services performed before termination. JJ Global thereafter asserted that GIAA underpaid invoices for services performed from August 2022 through January 31, 2023. Decl. Counsel, Ex. I, Attach. (d). On May 3, 2023, JJ Global demanded payment of approximately \$72,371.22. *Id.*

On September 20, 2023, JJ Global sent GIAA a further written demand. *Id.*, Ex. I, Attach. (e). It emailed the demand to GIAA's Executive Manager on September 22, 2023. *Id.*,

to the Complaint. GIAA therefore denied that allegation in its Answer and later attached a copy of the Contract as an exhibit to the Quinata Declaration.

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Ex. I, Attach. (f). The letter objected to partial payments on invoices from August 2022 through January 2023 and asserted that GIAA had unfairly calculated and applied the payments. It requested immediate payment, sought a response within two weeks, proposed an amicable resolution, and advised that JJ Global might pursue legal action if the matter remained unresolved. *Id.*, Ex. I, Attach. (e). GIAA did not issue a written decision within 60 days after JJ Global's September 2023 demand. Opp'n Mot. Dismiss at 8 (Mar. 18, 2026). On August 23, 2024, JJ Global filed a Government Claim with GIAA. Decl. John M. Quinata, Ex. D. GIAA denied the claim on February 18, 2025. *Id.*, Ex. E.

JJ Global filed this action on October 10, 2025. Compl. (Oct. 10, 2025). It asserted breach of contract and, alternatively, account stated. *Id.* JJ Global seeks approximately \$72,371.00, as well as penalties, interest, attorney's fees, and costs. *Id.*

GIAA moves to dismiss under Guam Rule of Civil Procedure 12(b)(1) and 12(b)(6). Def. GIAA's Mot. Dismiss (Feb. 17, 2026). GIAA argues that: (1) JJ Global filed its Government Claim after the applicable eighteen-month deadline; (2) sovereign immunity therefore remains intact; (3) JJ Global failed to exhaust the Contract's administrative procedure; and (4) the Government Claims Act does not waive immunity for an account-stated claim. *Id.*

JJ Global opposes. It contends that its September 2023 demand invoked the dispute process, that GIAA's inaction produced a deemed adverse decision, and that it timely filed its Government Claim within eighteen months thereafter. Opp'n Mot. Dismiss.

II. DISCUSSION OF LAW

A. Governing Standards

Rule 12(b)(1) permits dismissal for lack of subject matter jurisdiction. Sovereign immunity is jurisdictional: unless the Legislature has expressly waived immunity, the Court

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lacks jurisdiction over a claim against the Government of Guam or one of its instrumentalities. *Town House Dep't Stores, Inc. v. Dep't of Educ.*, 2012 Guam 25 ¶ 31; *Bautista v. Agustin*, 2015 Guam 23 ¶¶ 18–19; *Pac. Rock Corp. v. Dep't of Educ.*, 2001 Guam 21 ¶ 20. Courts strictly construe waivers of sovereign immunity in favor of the sovereign. *Lane v. Pena*, 518 U.S. 187, 192 (1996).

A Rule 12(b)(1) motion may raise a factual challenge to subject matter jurisdiction. In resolving that challenge, the Court may consider evidence outside the complaint. *See Warren v. Fox Family Worldwide, Inc.*, 328 F.3d 1136, 1139 (9th Cir. 2003); *Safe Air for Everyone v. Meyer*, 373 F.3d 1035, 1039 (9th Cir. 2004).

Rule 12(b)(6) permits dismissal when a complaint fails to state a claim upon which relief may be granted. The court accepts well-pleaded factual allegations as true and draws reasonable inferences in the plaintiff's favor. *First Hawaiian Bank v. Manley*, 2007 Guam 2 ¶ 9. The court need not accept conclusory allegations of law or unwarranted inferences. *Taitano v. Calvo Fin. Corp.*, 2008 Guam 12 ¶ 9. Dismissal is proper only where it appears beyond doubt that the claimant can prove no set of facts supporting a claim for relief. *Id.* ¶ 9; *Ukau v. Wang*, 2016 Guam 26 ¶¶ 25–33, 51.

B. GIAA Has Not Established Failure to Exhaust

GIAA argues that JJ Global never invoked Article 14.5 because it never expressly requested a “final decision.” The Contract does require a written request for a final decision after the parties’ effort to resolve the controversy through mutual agreement fails. Decl. Counsel, Ex. I, Attach. (a) at 12. The question, however, is whether the September 2023 letter can reasonably be understood as such a request. At this stage, the Court concludes that it can.

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The letter did not merely resubmit an invoice. It identified the disputed invoice period, objected to GIAA's partial payments, explained JJ Global's position that GIAA miscalculated the amounts due, demanded payment, requested a prompt response, proposed a mutually acceptable resolution, and warned of possible legal action. Decl. Counsel, Ex. I, Attach. (e). And, notably, GIAA received the letter through its Executive Manager. *Id.*, Ex. I, Attach. (f). The letter did not use the phrase "final decision" or cite Article 14.5. But Article 14.5 does not prescribe a particular form or require that the contractor quote the provision verbatim. Rather, it requires a written request that GIAA decide a controversy after efforts at mutual resolution have failed. A factfinder could reasonably conclude that JJ Global's letter did exactly that. The letter communicated a defined payment dispute, demanded action from GIAA, invited resolution, and stated that further legal action might follow if GIAA did not respond.

Pacific Rock supports this conclusion. There, the Guam Supreme Court treated the timing of the administrative process as dependent on the parties' communications, negotiations, and conduct. *Pac. Rock*, 2001 Guam 21 ¶¶ 40, 44. The court did not hold that every payment demand triggers the procurement process. Nor does this Court adopt such a rule. But *Pacific Rock* confirms that courts must examine the substance and context of the parties' communications rather than elevate form over the function of the administrative process. GIAA contends that *Pacific Rock* involved a formal administrative claim and an express invocation of the procurement process. Def. GIAA's Reply Supp. Mot. Dismiss at 4 (Mar. 31, 2026). That distinction may prove material after factual development. The present record, however, does not conclusively establish that JJ Global's September demand was only an informal collection letter. The reasonable competing inferences preclude dismissal for failure to exhaust.

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The Complaint also does not set out each step of the Article 14.5 process. But the materials submitted with the Motion and Opposition provide the relevant sequence: the September demand, GIAA's alleged failure to respond, the Government Claim, and GIAA's denial. The Court may consider those materials in resolving GIAA's factual jurisdictional challenge. On that record, GIAA has not established that JJ Global failed to exhaust available administrative remedies.

GIAA characterizes compliance with Article 14.5 and 5 GCA § 5427 as jurisdictional because those provisions govern the conditions under which the Government's limited waiver of sovereign immunity may be invoked. The Court need not decide whether every contractual exhaustion requirement is jurisdictional. Assuming that the alleged failure to exhaust is properly presented under Rule 12(b)(1), GIAA has not established on the present record that JJ Global failed to satisfy the applicable procedure.

The Court therefore DENIES the Motion to the extent it seeks dismissal of the Breach of Contract claim under Rule 12(b)(1) for failure to exhaust Article 14.5's dispute procedure.

C. GIAA Has Not Established That the Government Claim was Untimely

GIAA next argues that JJ Global's claim accrued no later than January 31, 2023, the effective date of termination. Because JJ Global filed its Government Claim on August 23, 2024, GIAA contends that the claim was filed more than eighteen months after accrual and is untimely under 5 GCA § 6106(a). Def. GIAA's Mot. Dismiss at 3–4. That argument does not account for the Contract's specific administrative process. Article 14.5(A) provides that a contractor pursuing a dispute involving money owed under the Contract must file a Government Claim within eighteen months after GIAA renders a decision or after the date when GIAA

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should have rendered one. Decl. Counsel, Ex. I, Attach. (a) at 12. The Contract thus links the Government Claim deadline to the administrative decision process. This is consistent with *Pacific Rock*, which held that a claim involving money owed under a government contract arises when the claimant exhausts the applicable administrative remedies. *Pac. Rock*, 2001 Guam 21 ¶¶ 50–53.

If JJ Global's September 2023 letter constituted a written request for a final decision, GIAA had 60 days to decide the dispute. Its decision would then have been due in approximately November 2023. JJ Global filed its Government Claim on August 23, 2024, well within eighteen months of that date. GIAA responds that later payment demands cannot restart an already accrued claim. The Court agrees that a claimant cannot evade a statutory limitations period merely by repeatedly demanding payment. But that principle does not resolve this case. JJ Global does not rely solely on a later demand to restart the clock. It relies on the Contract's required dispute procedure and on the contention that GIAA failed to issue the decision that Article 14.5 required.

Whether the September 2023 letter invoked Article 14.5 remains a factual and contractual question. The Court cannot resolve that question against JJ Global on the present record. Nor can the Court conclude, as a matter of law, that January 31, 2023 was the only possible accrual date. This Decision is narrow. It does not decide that JJ Global timely complied with every contractual or statutory requirement. And it does not decide whether earlier communications triggered the process, whether GIAA properly calculated the invoices, or whether another defense applies. It holds only that GIAA has not established, on this Motion, that JJ Global's August 23, 2024 Government Claim was untimely as a matter of law.

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The Court therefore DENIES the Motion to the extent it seeks dismissal of the Breach of Contract claim as untimely.

D. Sovereign Immunity Bars the Account-Stated Claim

GIAA argues that the Government Claims Act does not waive sovereign immunity for an action on a book account or account stated. Def. GIAA's Mot. Dismiss at 7–8. JJ Global does not address that argument.

The Government of Guam and its instrumentalities may be sued only to the extent the Guam Legislature expressly waives sovereign immunity. *Town House Dep't Stores*, 2012 Guam 25 ¶ 31; *Bautista*, 2015 Guam 23 ¶¶ 18–19; *Pac. Rock*, 2001 Guam 21 ¶ 20. The Court strictly construes a statutory waiver in favor of the Government and may not extend it by implication. *Bautista*, 2015 Guam 23 ¶¶ 18–19.

Section 6105(a) of the Government Claims Act waives immunity for qualifying claims arising from a contract to which the Government is a party. 5 GCA § 6105(a). It does not mention actions on a book account or account stated. An account-stated action rests on an independent agreement fixing an agreed balance and promising payment; it is not an action on the original transactions alone. See *Eimco-BSP Serv. Co. v. Valley Inland Pac. Constructors, Inc.*, 626 F.2d 669, 671–72 (9th Cir. 1980); *Gleason v. Klammer*, 163 Cal. Rptr. 483, 485 (Ct. App. 1980).

JJ Global pleads account stated as an alternative to its breach-of-contract theory. Compl. ¶¶ 12, 14. The Legislature has not expressly waived sovereign immunity for that independent claim. Because sovereign immunity bars the account-stated claim, the Court lacks subject matter jurisdiction over that claim. The Court therefore GRANTS the Motion under Rule 12(b)(1) and

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DISMISSES the account-stated claim with prejudice. The Court need not reach any alternative argument under Rule 12(b)(6).

E. The Breach of Contract Claim Remains

The Breach of Contract claim remains pending. At this stage, the Court holds only that GIAA has not established that JJ Global failed to exhaust the Contract's dispute procedure or that JJ Global's Government Claim was untimely. The Court does not decide whether GIAA breached the Contract, whether JJ Global performed its contractual obligations, whether the claimed balance is correct, or whether JJ Global may recover penalties, interest, attorney's fees, or costs. The Court also does not decide the relevance, admissibility, or legal effect of any earlier communications between the parties.

III. CONCLUSION AND ORDER

For the foregoing reasons, Defendant Antonio B. Won Pat International Airport Authority, Guam's Motion to Dismiss is GRANTED IN PART and DENIED IN PART.

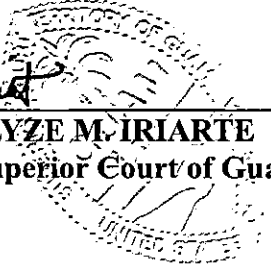
1. The Court DENIES the Motion under Rules 12(b)(1) and 12(b)(6) as to Plaintiff Luis E. Bustamante dba JJ Global Services' Breach of Contract claim. GIAA has not shown, on the present record, that JJ Global failed to exhaust the Contract's administrative dispute process or that its Government Claim was untimely.
2. The Court GRANTS the Motion under Guam Rule of Civil Procedure 12(b)(1) as to JJ Global's alternative account-stated claim. That claim is DISMISSED with prejudice for lack of subject matter jurisdiction.
3. JJ Global's Breach of Contract claim is not resolved by this Decision and it remains pending.

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SO ORDERED this 8 September 2026.



HON. ELYZE M. IRIARTE
Judge, Superior Court of Guam



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