Law Office of Jereme G. Lytle

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Licensed in Missouri, Tennessee, and Colorado

July 16, 2023

via electronic mail only Tara.ronimous@dor.mo.gov

Tara Ronimous Missouri Department of Revenue

Re:	Protest of Contract Award for Operation of Caruthersville, MO Office
	Number: RFPSDOR230083

Party:	Dogwood Strategies LLC 341 US HWY 61 New Madrid, MO 63869
Point of Contact:	Catherine Cooper 573-521-7559 Catherinecooper0110@gmail.com
Attorney:	Jereme G. Lytle P.O. Box 495 Hayti, MO 63851

573-757-7555

Ms. Ronimous:

I am writing on behalf of Dogwood Strategies LLC to protest the award of a contract for a license fee office in Caruthersville, Missouri on Ward Avenue, Solicitation Number RFPSDOR230083 ("Caruthersville contract"). This protest letter is submitted within ten (10) business days of the award of the contract and is therefore timely.

The State of Missouri has in place a point system to ensure a fair and unbiased system to award these contracts. The previous contractor for the license office at issue has had several violations.

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The protestor herein, Dogwood Strategies LLC has had zero violations and has a perfect point score.

"To meet basic standards of due process and to avoid being arbitrary, unreasonable, or capricious, an agency's decision must be made using some kind of objective data rather than a mere surmise, guesswork, or 'gut feeling.' *Mo. Nat'l Educ. Ass'n v. Mo. State Bd. Of Educ.*, 34 S.W.3d 266, 281 (Mo. App. W.D. 2000). "Moreover, an agency which completely fails to consider an important aspect or factor of the issue before it may also be found to have acted arbitrarily and capriciously." *Barry Serv. Agency Co. v. Manning*, 891 S.W.2d 882, 892 (Mo. App. W.D. 1995).

Under Missouri law, proposed vendors "shall be accorded fair and equal treatment with respect to any opportunity for negotiation..." *Section 34.044, RSMo.* In fact, a contract issued pursuant to an RFP bust be cancelled if a material provision "gives a bidder a substantial advantage or benefit not enjoyed by other bidders." *State ex rel. Stricker v. Hanson,* 858 S.W.2d 771, 776 (Mo. App. W.D. 1993). "This test ... reflects a belief that every element which enters into the competitive scheme should be required equally for all and should not be left to the volition of the individual aspirant to follow or to disregard and thus to estimate his bid on a basis different from that afforded the other contenders." *Id.* (emphasis in original).

Under these standards, the process for awarding the Caruthersville contract was flawed.

The State of Missouri has in place a point system to ensure a fair and unbiased system to award these contracts. The previous contractor for the license office at issue has had several violations. The protestor herein, Dogwood Strategies LLC has had zero violations and has a perfect point score. Pursuant to the above authority and the agency's policy, Dogwood Strategies LLC wins this contract without question.

The issue arises because Dogwood Strategies' bank, First State Community Bank, listed an incorrect amount of the security bond that they held within that bank. The bank listed that Dogwood Strategies LLC had \$30,000 but did not include the additional \$21,000 (for a total of \$51,000), even though the \$51,000 was reported by operator/owner of Dogwood Strategies. This issue was a clerical error by the bank and your protestor, Dogwood Strategies LLC has obtained a statement from the Bank showing the clerical error and establishing that Dogwood Strategies did in fact have the proper security bonds at the time of the bid was submitted.

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In summary, Dogwood Strategies LLC has a perfect point score and has the appropriate security bond, and in fact had the appropriate security bond at the time of its bid. The only issue is a typographical error made by the bank which has since been corrected and is submitted with this letter of protest.

I request you all review the bank's letter and provide the contract to Dogwood Strategies LLC since they had the appropriate security bond and had a perfect score on your points system. Finally, I respectfully request that no transition of the contract for the Caruthersville office take place until an investigation and resolution of the issues raised herein occurs.

Sincerely,

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Jereme G. Lytle JGL/jgl encl.