

GOVERNMENT OF THE DISTRICT OF COLUMBIA
CONTRACT APPEALS BOARD

APPEAL OF:

CURTIS CHEVROLET)	
)	CAB No. D-1116
Under Contract No. 8062-98-HD)	

For the Appellant: Heather L. Levin, Esq.. For the District of Columbia Housing Authority:
Patricia Gracyalny, Esq.

Opinion by Administrative Judge Jonathan D. Zischkau, with Administrative Judges Phyllis W. Jackson and Matthew S. Watson, concurring.

OPINION

Curtis Chevrolet filed a claim for interest penalties pursuant to the Quick Payment Act, as amended, D.C. Code §§ 1-1171 to 1-1176 (1999), for late payments made by the District of Columbia Housing Authority ("DCHA") on 29 separate invoices. Curtis Chevrolet has moved for summary judgment. DCHA opposes summary judgment on the ground that the purchase orders contain no clause making the Quick Payment Act applicable to the contract. We conclude that Quick Payment Act interest is mandated by the statute itself and thus the lack of a contract clause is no valid defense. DCHA does not dispute that Curtis Chevrolet performed the services required by the contract, submitted proper invoices, and was paid late on those invoices. Having resolved the single legal issue against DCHA, we grant summary judgment on Curtis Chevrolet's claim in the undisputed amount of \$8,090.93.

BACKGROUND

Curtis Chevrolet and DCHA entered into Contract No. 8062-98-HD for the purchase of various vehicles. Neither party has included the contract in the record. DCHA has submitted purchase orders issued under the contract, each containing a page entitled "Instructions to Vendors" which states with respect to invoices:

Payments will be processed when all deliveries under this order have been made and/or services rendered. . . . Render invoices or billings showing the Purchase Order Number to the location shown on the face of this form. . . . In cases where partial payments are authorized, the invoice or billing should clearly indicate ~~the~~ partial payment request."

(DCHA Opposition, Ex. 1). The "Instructions to Vendors" addresses invoices, delivery charges, and taxes, but does not set forth the contractual payment terms. Although the parties agree that the contract did not specify a particular date by which invoices had to be paid (Curtis Chevrolet Reply, at 2; DCHA Opposition, at 2), the Quick Payment Act establishes that the required payment due date is

"30 calendar days, excluding legal holidays, after receipt of a proper invoice for the amount of the payment due, if a specific date on which payment is due is not established by contract." D.C. Code § 1-1172(a)(1)(A).

It is undisputed that Curtis Chevrolet performed the services contracted for by DCHA, that the 29 invoices submitted by Curtis Chevrolet were in proper form, and that DCHA paid these invoices from 21 days to 87 days beyond the 30-day payment due date. (DCHA Opposition, at 2; Curtis Chevrolet Summary Judgment Motion, Exs. 1-3).

On November 5, 1999, Curtis Chevrolet filed a claim for interest penalties under the Quick Payment Act. On July 19, 2000, Curtis Chevrolet filed an amended claim, revising the claim amount from \$13,217.87 to \$8,090.93, and its motion for summary judgment. On August 9, 2000, DCHA filed an answer to the claim as amended and an opposition to the summary judgment motion.

DISCUSSION

We exercise jurisdiction pursuant to D.C. Code § 1-1174.

DCHA's only defense to the Quick Payment Act claim is that the purchase orders issued under the contract did not contain a clause authorizing Quick Payment Act interest. We hold that the absence of such a clause does not excuse DCHA from paying Quick Payment Act interest.

By virtue of the Procurement Reform Amendment Act of 1996, D.C. Law 11-259, 44 D.C. Reg. 1423 (Mar. 14, 1997), the Quick Payment Act's definition of "District agency" was expanded to include independent agencies and any agency of government not subject to the administrative control of the Mayor. D.C. Law 11-259, § 307(a), codified at D.C. Code § 1-1171(3) (1999). *Hood's Int'l Foods, Inc.*, CAB No. D-996, Feb. 20, 1998, 45 D.C. Reg. 8742, 8743 & n.2. As section 1-1171(3) demonstrates, the Council intended that the Quick Payment Act have broader application than even the Procurement Practices Act. The Procurement Reform Amendment Act made DCHA subject to both the Quick Payment Act and the Procurement Practices Act. DCHA was obligated to pay Quick Payment Act interest by the terms of the Quick Payment Act notwithstanding the presence or absence of a clause in the contract authorizing interest penalties for late payment. D.C. Code §§ 1-1172, 1173. DCHA argues that a Quick Payment Act clause should not be incorporated into the contract by operation of law under the *Christian* doctrine because the Act does not further a major government principle. See *G.L. Christian & Assocs. v. United States*, 312 F.2d 418 (Ct. Cl.), *cert denied*, 375 U.S. 954 (1963). Clearly, the *Christian* doctrine would apply to Quick Payment Act interest, D.C. Code § 1-1172(b)(1A), but the doctrine is unnecessary here since the obligation arises directly from the statute and its implementing regulations found at 1 DCMR Chapter 17.

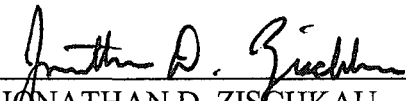
CONCLUSION

Because the facts are undisputed, the matter is appropriate for summary judgment. We conclude that the Quick Payment Act applies to the Curtis Chevrolet's contract with DCHA

regardless of whether the contract contains a Quick Payment Act clause. Accordingly, we sustain Curtis Chevrolet's claim in the undisputed amount of \$8,090.93.


SO ORDERED.

DATED: January 25, 2001

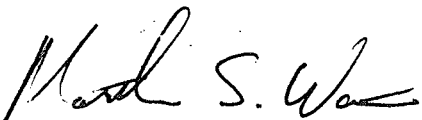


JONATHAN D. ZISCHKAU
Administrative Judge

CONCURRING:



PHYLLIS W. JACKSON
Administrative Judge



MATTHEW S. WATSON
Administrative Judge

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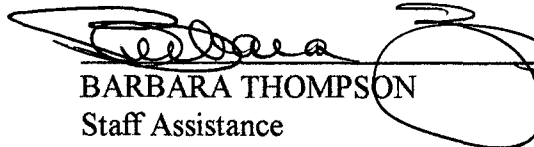
January 25, 2001

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SUBJECT: CAB No. D-1116 (Appeal Of: CURTIS CHEVROLET)

Attached is a copy of the Board's Opinion sustaining Curtis Chevrolet's claim .


BARBARA THOMPSON
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Date: January 24, 2001

RE: APPEAL OF: Curtis Chevrolet (CAB No.: D-1116)

DOCUMENTS	NUMBER OF PAGES*
Board's Opinion	4

COMMENTS:

From the desk of..
Barbara Thompson

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